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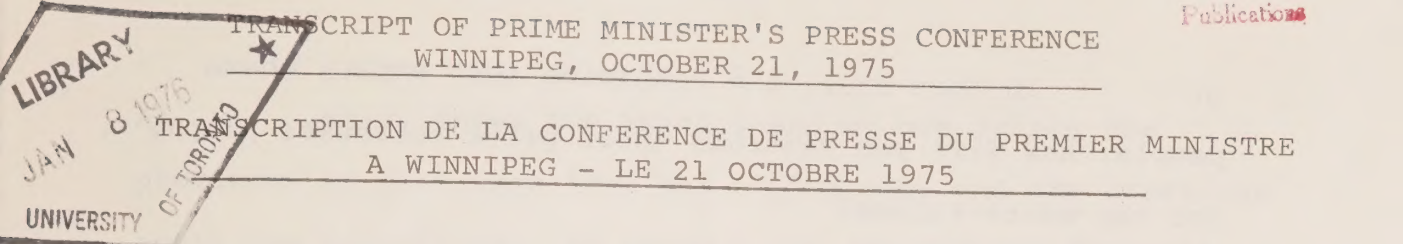






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TRANSCRIPT OF PRIME MINISTER'S PRESS CONFERENCE  
WINNIPEG, OCTOBER 21, 1975

TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A WINNIPEG - LE 21 OCTOBRE 1975

Q: Mr. Prime Minister, could you please tell us your reaction to the postal situation today? I understand most of them are out now?

A: I haven't talked to the Postmaster General this morning. I understand too that they are out in many parts of the country. I hope it is only a temporary stoppage. I am sure Mr. Mackasey is dealing with it. I really can't add anything.

Q: Going back to something you said in your speech. Would you say categorically that the postal workers will get no more by striking than they would if they don't strike?

A: Yes, that's right. Whether they strike or not, and whether we make an agreement with them that is a little higher or a little lower, it will be referred to the Anti-Inflation Board in any case and they will judge if the government is acting within the guidelines. We're going to do our darnedest to make sure that any agreement we sign is within the guidelines, within the spirit and the letter of it. But should we err in any way we will be subject to the judgment of the Anti-Inflation Board and if we've gone too far we'll have to take the money back. And that will apply to any series of wage earners or price setters. If they get more money than they should under the guidelines out of any operation, whether it's selling goods or selling services, the government is authorized under the law through the Administrator to take that money back. And there are also fines and prison involved when there has been criminal intent. So -- forget about the postal workers, just take anybody striking for a higher wage. If they get a wage which is higher than the guidelines, it's going to be taken away from them by way of taxes anyhow. So there is not much point.



Q: In that case, the companies that employ these people, how will you restrain their price increases to pay for the extra raises?

A: That will be their problem, and that is our incentive on them not to give higher than the guidelines. If they want to give a higher wage than is provided for in the guidelines, if they want to take it out of their profits, some of them may want to do it. It's unlikely to me, but if they do we will still take it back from the workers, and they will not be able to recuperate their costs. No cost will be allowed to any company which is beyond the guidelines, and if they pay more than the guidelines provide for, they won't be able to count that as deductible cost in terms of expenses, so they will be out of pocket.

Q: (inaudible)

A: No, because within the guidelines there will still have to be collective bargaining. You won't automatically get your 10%. You'll get it if you bargain for it, or 12%, whatever the case may be. But it does put a ceiling on the top level that you can get. There will be cases where people will probably bargain for more and if it can be accepted under the guidelines, if it can be accepted under the provisions of the law and the regulations because it comes in some particular circumstances, then the Anti-Inflation Board will say so. But it will be a very occasional exception and probably it will only happen with any frequency at all during the transition period.

Q: Prime Minister, you touched on this a minute ago in your speech. You are probably aware there is a feeling that it may be easier for employers to restrain the wages of their workers at a time when professional groups will be able to get around the provisions of the program. What sort of assurance can you give people on that score?



A: Well, under the White Paper we are asking the provinces to make sure that the professions and the landlords apply the guidelines. We haven't had the answers from all provinces. As you know they are meeting later this week, and they will tell us what they want to do. But the professions are incorporated under provincial charters, the fees and schedules are set under provincial law, under the authority of the provincial law, and we are counting on the provinces to apply those guidelines, that restraint. If some province shouldn't want to, we will of course do it ourselves. Now, how do we do it? There's a very simple way again, it is by taxing away the excess if anybody gets more than the Anti-Inflation Board judges he should, it will be taken away from him by form of taxes, or he will get a fine or he will go to prison.

Q: When do you expect to have all the control mechanisms both provincially and federally in place and working?

A: Well, the Anti-Inflation Board is working now. We won't know the answer to your question until we have had an answer from the provinces. Will they all delegate to the Anti-Inflation Board -- not delegate, but will they all sign an agreement saying that they don't want to set up the mechanism, it's our mechanism which will apply even to their public servants, for instance, then it will all happen very quickly. If some provinces want to take the time to set up their own control mechanisms under the federal guidelines it may take a bit more time. I really can't speculate on that until I have had an answer from the provinces, which as I was saying a little earlier, is expected to be forthcoming after the meetings held later this week.

Q: When would you like to see some effect of this program in a slowing down of wages and profits?

A: Well, it's crucial to recall that the guidelines are in effect from midnight, from 1 minute, on October 14th, so they are in effect now. What presumably you are asking is

when will the Board itself be able to issue directions, to convince people, to look into operations and so on, they are doing that now. But they haven't finished hiring all their personnel. I believe even one or two members of the permanent body haven't been appointed yet, so they aren't operating at full speed. But they are operating and the guidelines are in effect now. You're asking how soon will this begin to bring down the rate of inflation? Well, we indicate that we're expecting it to continue increasing at 8%-a-year over the next year, and that's the basis of the guideline as it applies to wages. But you have to keep one thing in mind, that I have said from the outset that this mechanism won't stop the increase in the cost of living. We will still have to continue paying more for our petroleum if OPEC countries decide that, and as the dollar a barrel increase that they brought in just a few weeks ago works its way through the system the cost of living is going to go up. And as we continue to import a great amount of the goods we consume in Canada we won't be able to control these prices. For instance, we are going into the winter months and we will be importing, I suppose, vegetables and other food stuffs, and if those prices go up we will just have to pay more for them. And the huge wage increases, some of which are in the system now because they have been settled before the program was brought in, they are going to have to work their way through the system. So we're not saying that the cost of living won't continue increasing. It will. And we are not guaranteeing every Canadian that he will continue to have the same rate of increase of his income as he had before. As I was saying at an earlier meeting, if the prices of the energy we import or of other goods we import go up, we are not guaranteeing Canadians that they will all be as wealthy as though we didn't have to pay more for our imports. So that is a very vital distinction. The cost of living is not going to stop going up automatically. A lot of prices and wages will have to work their way through the system yet.



Q: In your speech you noted that people can strike as much as they wish, but if they achieve the excessive wage demands of 50, 60 or 70% the government would turn around, they would come back and tax them again. How would those tactics work?

A: There are three ways in which it can work. Either we'll tax it away directly from the worker in this hypothesis where he has got a wage increase which is higher than the guidelines. Or we'll tell the companies to deduct it at source in his weekly or monthly paycheck, or else we'll take it directly away from the companies. In the case that was given to me earlier where a company deliberately breaks the guideline, we'll just say: O.K. you paid that much but it's not going to be part of your operating cost and you will just have to pay for it out of your profits or equities. So there are several ways in which we can get it back, apart from fines and imprisonment.

Q: Would those be backed up with fines and imprisonment?

A: Well in some cases they would. It would depend if there is criminal intent, a deliberate decision to break the guidelines, or whether it was just an erroneous application of them.

Q: Prime Minister, I am recalling that when the Americans brought in controls, President Nixon did a whole bunch of personal things to dramatise them, such as flying on commercial airlines and turning down the thermostat. Are you planning, or Mrs. Trudeau, any personal leadership messages?

A: Well I turn the thermostat down every time the kids put it up, and turn off the lights when they shouldn't be on and so on.

Q: Mr. Prime Minister, the Manitoba Federation of Labour today rejected the guidelines, and a number of other labour organizations have indicated that they might. If they should all reject these guidelines, what does the government do?

A: Well, we sit down with them and we ask them what it is in them that they reject: Is there some unfairness in the way it's operating, and if so how can we correct them, how can we improve this? We're prepared to discuss. We are prepared to discuss with the provinces, we're prepared to discuss with the unions, and we're prepared to discuss with business community. We think that everybody wants to kill this evil of inflation. This is the premise from which we start. And the premise from which every Canadian should start is that we're stuck with this now whether we like it or not. We're not going to change our minds. There are guidelines, they are enforceable. They are enforceable with the full force of the law. The only thing that can happen is that they get tougher. So this we won't change. As I was saying in other occasions, if we find that this selective application that we are making to the big power groups in the economy is not enough, if we find that more and more of the people who are not subject to the force of law now are breaking guidelines, we will have to extend it to them. We will have to hire the policing mechanism and the bureaucrats that go with that. But this isn't the course that we are contemplating, it's not the course that we hope for. So there is no changing of the government's mind on the action we've taken. We've hesitated long enough. We know the hardships. We know the rough justice that comes out of this. We know the difficulties of the transition period for people who have signed contracts long ago which are expiring now and haven't permitted them to catch up. We know the difficulty of people who had reached an agreement but who hadn't quite signed it by October 14th. We know the feelings that perhaps some of the opponents of the scheme have, that it isn't equitable enough and that it goes after the worker more than it goes after the employer. We are prepared to discuss with anyone ways of making this thing not only be but seem more equitable. So I am not overly depressed because some people have come out against it at first



flush. I know, I was against wage and price controls a long while myself, and I know the difficulties of it, and I know the hardships that it can temporarily cause. But I also know that it's the only way we are going to have a sound, sane economy.

Q: If nothing should happen after say three years, would you be willing to carry it on from there and make it even tougher?

A: If nothing happened after three years?

Q: Yes, if there is no decrease after three years.

A: Well, that's not possible.

Q: Up until now, sir, you did say that it didn't work anywhere else, it did nothing for the other countries?

A: No, I didn't say that. I said what happened in other countries is that it did decrease, but then after the guidelines were taken off it went up again. There is no doubt that if we enforce by law a certain maximum of profits, or a maximum of rent, or a maximum of income, that's what's going to happen. But what might happen after three years is that people say: O.K. take them off now so we can begin the inflationary spiral again. To me that's a very hypothetical question, but if it does happen I'm certainly prepared to continue the guidelines, to continue the application of the government interfering in the economy. We've got to make it work. I've always believed that the value of democracy is that people can understand what basically is good for everyone, and being a democrat I am not impressed by the hypothesis that you say. But if it happens, people will have to realize that they are in for a long, long period of controls.

Q: Monsieur Trudeau vous entreprenez une campagne pour expliquer vos mesures anti-inflationnistes. Quelles réactions, quelle attitude espérez-vous au juste des Canadiens?

R: Il y a d'abord une saine discussion des mesures que nous avons prises, un examen de ces mesures pour savoir si elles sont équitables; si nous découvrons à travers une discussion

qu'elles peuvent être améliorées, nous sommes prêts à les améliorer, mais une prise de conscience par la population canadienne que le système de contrôle dans lequel nous sommes embarqués est là pour durer. Qu'on n'essaie pas de faire changer d'avis au Gouvernement en lui disant: "Ah, il vaudrait mieux enlever tous ces contrôles-là, retourner à la situation d'avant où l'inflation peut continuer, où on peut demander n'importe quelle sorte d'augmentation de prix ou de salaire. Câ, c'est un pont que nous avons brûlé.

Q: (inaudible)

R: Ceux que j'ai entendus faire cette critique étaient d'abord mal informés, et j'ai entendu souvent des gens dire que ce n'est pas juste parce que les riches peuvent avoir une augmentation de \$2,400 alors que les pauvres sont limités à une augmentation de \$600. Ce n'est pas le cas. Le \$600 dont nous avons parlé n'est pas un plafond. Ceux qui travaillent, les travailleurs, les ouvriers, et les employés peuvent essayer d'obtenir le plus possible, comme avant. Nous ne leur garantissons pas plus qu'avant, qu'ils pourront/obtenir n'importe quel salaire, mais nous ne leur disons pas qu'ils sont limités à \$600. Au contraire, un type qui gagne \$5,000 et qui verrait son augmentation aller jusqu'à \$6,000 par année, eh bien, il ne sera pas limité à \$600, il lui reste \$720 d'augmentation; il n'est pas limité à \$600. Alors, c'est une conception erronnée de voir ce \$600 comme un plafonnement. Conception erronnée ou malicieuse, je ne suis pas sûre, mais c'est complètement faux de concevoir ce \$600 comme une limite. Alors, c'est la première réponse. La deuxième c'est que le système anti-inflationniste n'est pas conçu pour enrichir les gens. Au contraire, les riches sont plafonnés à \$2,400, pour ce qui est des gens moins riches, nous ne leur donnons pas de l'argent par ce système-là. Pour donner de l'argent à ceux qui n'ont pas les moyens, il y a d'autres programmes gouvernementaux, il y a les allocations familiales, il y a les



pensions de vieillesse, il y a le secours direct, il y a les subventions de toutes sortes. Et ça, ça va continuer mais c'est une autre histoire. La machine anti-inflationniste donc n'est pas faite pour introduire une très grande redistribution des biens et des revenus parmi les Canadiens. Il y a un certain effort de redistribution du fait encore que nous limitons les riches à \$2,400 par année. Si riche soit-on, si fort soit-on dans l'économie, on ne peut pas aller chercher des augmentations au delà de ça. Il faut remarquer aussi que le gars qui augmente son revenu de \$2,400 est probablement dans un système d'impôt sur le revenu où il paie la moitié de ça; peut-être que son revenu net est de \$1,200 par année. Alors que si le gars qui a une augmentation de \$600 ou \$700 ne paie pas d'impôt sur le revenu, c'est du revenu net. Alors déjà, il y a une mesure d'équité là-dedans. Mais ce n'est pas un système de redistribution des revenus, pas plus que c'est un système pour bâtir des maisons ou pour remédier aux querelles de ménage.

Q:            Given the indication sir, of an upturn in the U.S. economy, would you have preferred to wait five or six months or a little bit before imposing this particular program. Did you, in fact, express that view privately ....?

A:            Well, without going into the secrets of Cabinet discussion, I think it is well known that several ministers and myself -- I'd be inclined to say all the ministers, since we fought the election on it -- we preferred not to go to price and wage controls. That was the preference of each one of us, and I repeat we only came to them because of what I was describing earlier as a quantum jump. When the fear of future inflation is such that people get conditioned and demand much more out of the economy than it's producing, then something has to be done. I was just meeting a group of workers down at the door there and the one I was talking to was saying that this 12% limit is unfair. I said how much do you think you should get? Well he said 30%. I said: you

should get 30, who else should get 30? Everybody should get 30 per cent more, he said. You know it's not possible. If the Canadian economy is growing at zero per cent, we can't all become richer by 30 per cent. We can print more dollars, and our dollar will be worth 30-per-cent less. It will look as though we have more money, but each dollar will have less purchasing power. And obviously he didn't understand it, and I am sure a lot of Canadians don't understand it yet. It is going to take a lot of time and patience, but we've got a lot of time, you know, three years in the law and it could go on longer if people take longer to understand.

Q: Is there a benchmark in time or performance when you will see that you will need to increase the strictness of the program and do you have it on paper now, what might be called phase II of a guideline program would include?

A: I hope phase II would be a beginning of a decontrol, where rather than extending the controls to more people we would cease applying it to those who have played ball, who have shown that they are willing to cooperate voluntarily. So in that sense there is no prescribed timing for embarking on phase II. I don't know what phase II will be. It might be tougher controls, it might be less tough controls. So in that sense there is no timing. But we will be patient at the outset because we know it's going to take time to change attitudes.

Q: Do you have a figure in time or in performance of the economy when you will know when phase II is going to start?

A: No, we don't. As I was answering an earlier question, we know that the cost of living can still go up even under this control program. If it goes up because of external forces, prices of oil, or energy, or imported goods or food, we won't see that as a sign of failure and we won't go to any tougher system. But we will if we see that the inflation is self-generating, and is getting worse rather than better in self-generating terms. Obviously, we will have to become tougher.

Q: (inaudible -- concerning farmers' production costs)



A: Well in a sense it will; in a sense it won't. Insofar as the farmers are dependent on imported machinery or fertilizers, we can't control those prices. We'll have to continue paying whatever our sellers demand for them. So in this sense it is possible that the farmers' cost, like everybody else's cost who consumes energy, will continue going up. And it's not only possible but it's desirable that that increased cost to the farmers be translated in higher prices for his goods. And this, as I was saying earlier, isn't the kind of inflation that worries us because it's not a disease of the economy. It's a reality that those who sell us things are charging us more for it.

Q: (inaudible -- re reported statement of Mrs. Plumptre on marketing boards.)

A: Well, without discussing her particular statements, which I don't have in mind with any precision, it is conceivable that marketing boards can operate just as unfairly as any private enterprise. If they increase prices of the goods they produce by more than their costs have increased, in other words, if they are trying to use the inflationary situation to increase their real claims on the economy, then the marketing boards will be looked into and penalized the same as any other operator. If the costs, in other words, only reflect increased cost to the farmer - he pays a dollar more for his machinery, he sells his products for a dollar more - there will be no problem. If the marketing boards operate that way, no problem. But if they say, ah, we have had to pay a dollar more for the machinery, let's increase our prices by three so that we can make an extra two bucks, it will be taken away from them.

Q: Prime Minister, could you elaborate a little bit more on the price controls? What will come first justifying a price increase or the price increase? And will all increases have to be justified, or will it be up to the Board to monitor the increases and go in to find out whether they are justified?

A: Well, first let me say that the overwhelming majority of price increases won't be monitored and they won't be controlled. They are subject to voluntary guidelines. I repeat, the mechanism isn't meant to look into the corner grocery to see if he has marked up his bottle of ketchup by more than he should. We are still relying on the market economy, the freedom of the economy, to keep prices down in all the competitive areas. If we control the big distributor across the street or in the shopping centre, and we make sure that we keep the price of his ketchup down, well, the consumer, if he doesn't like the increase at the corner grocery, will just cross over and buy it at the place where it is controlled. And this is how we are relying on the control of the big ones to have beneficial effects throughout the economy. So in this sense we are not trying to control all prices. But those that we do control will be hopefully controlled in advance. Mr. Pepin and Mrs. Plumptre and their Commission are intending to ask for a notification of increases of certain importance before they happen so that they can look into them. Actually they don't have that power now under the Enquiries Act. They will have that power under the law which is now being adopted by Parliament. But here again we are asking for the voluntary cooperation of every sector of the society, and we are hopeful that it will come. If it doesn't, the law will be there very soon to make sure it does. But there may be cases where the price increase hasn't been noticed, or there hasn't been notification, and it has taken place. Then the Administrator will have the authority under the law to roll back the price. And if the price has been too high, it will be rolled back. It will either be rolled back so that the consumer can make up for what he has paid too much, or the government will take it away and put it in the national treasury.

Q: Sir you made reference a few minutes ago to rewards. Is there something that you have planned where there is going to be a reward for those who play ball with your program, the same as there are going to be penalties for those who do not?



A: I don't remember using the word rewards. I did indicate that it is possible that in the second phase, which could be a phase of decontrol, if there has been a situation where certain sectors of the economy have played ball with us and are obviously obeying the guidelines without any law forcing them to, it's quite possible that we will decontrol that particular section. In that sense you might call it a reward. We won't be asking them for a report, looking into the books, and examining their contracts all the time.

Q: And will you control those who over the first phase have said "No way".

A: That is one conception of it.

Q: Have you ever asked Premier Schreyer if he would head up a tribunal ....?

A: No I did not. But if I had I probably wouldn't tell you. It seems such an implausible question. Are you talking about the Premier Schreyer who is the premier of Manitoba? I don't think he is available for the job. If he is I will offer it to him, and I am sure he would be a darn good president of a tribunal.

Q: Are you joking or serious?

A: That he would be a good president?

Q: No, "I don't think he is available for the job but if he is I'll offer it to him..." That's what you just said.

A: Oh, yes, if he is available for that job I think he would be a very good man. It's so hypothetical and to me preposterous. But I think he would be a fair-minded person.

Q: Au cours de la semaine dernière, il y avait des débats au comité du Travail mandaté par le Secrétariat d'Etat pour étudier les priorités des organismes minoritaires. J'avais l'impression que peut-être à cause de la situation économique du pays il y aurait des coupures, par exemple, dans l'administration ou dans les programmes pour les minorités ou même dans le programme de bilinguisme...(inaudible)

R: Je ne suis pas au courant de ces réunions, je sais que le président du Conseil du Trésor fait tout en son pouvoir pour réduire le taux d'augmentation des dépenses, je ne sais pas que ces programmes-là ou d'autres soient appelés à subir des coupures. Ce qui est plus vraisemblable, c'est qu'on ait parlé de réduire le taux d'augmentation, de dire aux gens: ne vous attendez pas à ce que le gouvernement soit plus généreux encore dans ses octrois ou dans ses allocations parce que maintenant on est entrain de restreindre les dépenses. Mais je réponds un peu théoriquement, parce que je ne suis pas au courant de cette réunion ni de ses résultats.

Q: On avait annoncé dans l'ouest qu'il y a quand même beaucoup d'opposition au programme de bilinguisme et peut-être ... (inaudible) Est-ce qu'il est possible que vous soyez poussés à abandonner ces programmes?

R: Certainement pas pour les raisons que vous dites. L'opposition au Bill 22 n'est pas une raison pour nous, au contraire, d'abandonner notre politique du bilinguisme; parce que l'on reproche à certains de ne pas croire au bilinguisme, ce n'est pas une raison pour le gouvernement fédéral de cesser d'y croire, c'est un aspect fondamental de notre politique.

Q: Ca coûte cher...

R: Ca coûte cher et comme je le disais tout à l'heure, tous les programmes coûtent cher, les allocations familiales, les pensions de vieillesse, les octrois pour les routes et les subventions à l'éducation tout ça, ça coûte cher et pour cette raison-là, on est entrain de prévenir l'électorat Canadien que le gouvernement à l'avenir va être un peu moins généreux dans l'acceptation de nouvelles dépenses; s'il faut des nouvelles dépenses en quelque endroit, on coupera ailleurs. Mais moi, je vous répète que le bilinguisme est une des priorités fondamentales de notre gouvernement. Dans notre conception, il y va de l'unité du pays, et on n'est pas pour essayer de sauver l'économie tout en détruisant le Canada. Alors, ça demeure



une priorité fondamentale. Maintenant, là comme ailleurs, il faudra exercer beaucoup de prudence pour être sûr qu'on gaspille pas notre argent, que les octrois sont bien utilisés.





TRANSCRIPT OF PRIME MINISTER'S PRESS CONFERENCE  
REGINA, OCTOBER 22, 1975

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TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A REGINA, LE 22 OCTOBRE 1975

Prime Minister, your wage and price guidelines envisage very heavy fines and jail sentences for non-compliance. Are you prepared to jail thousands of trade unionists if they choose to defy your program and strike for higher wages?

A: They won't choose to defy our program. They are discussing reasonably. They see difficulties in the way in which we are going to control prices; we've asked them to suggest us better ways to make sure that the program is equitable. If it does happen that some union strikes for higher wages because it thinks that it is entitled to higher wages, it can do so and the Anti-Inflation Board will adjudicate on it. They will try and see if in this particular circumstance the guidelines permit a higher wage, there are some exceptions, as you know, and if it is permitted there is no harm done and if it is not we will have to take the money back, so the strike will have given the workers nothing.

Q: But you are not thinking of jailing let's say hundreds of them. In Saskatchewan here in the past weekend at the S.F.L. convention there was a lot of talk of defiance and there was a mood of militancy there and what people are wondering is whether or not you are going to put people in jail.

A: We have no plans to jail thousands of people, workers or anyone else. We are going to make sure that the system is fair and that everyone is prepared to comply with it. And they will have no choice but to comply with it because it is the law of the land. But once again the

regulations are not adopted, the bill will be discussed in the Committee of the House and we are anxious to make it not only be as fair but seem as fair as possible and we are expecting some valuable input from the trade unions.

Q: You seemed to suggest yesterday that one thing you have had in back of your mind might be a surtax on excessive increases of wages and salaries. Is that in fact what you mean and do you have this idea to bring forward if the current program doesn't seem to work?

A: No. The guidelines provide for cases where the price and incomes board finds that there has been an increase, shall we say in some salary above what the guidelines permit, the Board will refer that to the Administrator and the Administrator will have the power to get the money back. Whether you call that a surtax, or whether you call it a penalty, or whether you call it a deduction at source, I indicated yesterday three ways in which it could be done. The way in which you call it really doesn't have too much relevance. The point is that if monies have been paid which are beyond the guidelines, or if prices have been raised which are beyond the guidelines, they can be rolled back and the money recuperated either by the consumer or by the government.

Q: M. Trudeau croyez-vous que votre programme anti-inflationniste créera des problèmes particuliers pour des fermiers et une question corollaire, quels ont été les résultats de votre rencontre ce matin avec certains dirigeants de l'industrie et de l'agriculture?

R: Eh bien, d'une façon générale, ces dirigeants ont indiqué leur désir de coopérer avec le gouvernement dans l'application de ses normes, de ses barèmes. Il y aura sans doute des problèmes dans cette industrie comme



dans les autres, mais nous avons dit assez clairement que dans le cas du fermier et du pêcheur, le prix du produit qu'il vend lui-même ne soit pas sujet au barême. C'est lorsque ce produit-là passe entre les mains des distributeurs ou des manufacturiers, que là nous allons le contrôler, nous allons continuer à empêcher qu'à ce niveau-là des profits excessifs ou des prix excessifs soient chargés, mais le fermier lui-même, le pêcheur lui-même vendra sur le marché libre au meilleur prix qu'il pourra obtenir.

Q: Prime Minister in the last federal campaign you criticized Mr. Stanfield's program of control because you said, as you put it, that it wouldn't apply to food produced on the farm and fish in the sea, and then you added: well that's half the reason why the cost of living has gone up, food. In this context how does your program differ?

A: It doesn't differ, and that's what I have just answered now. Costs of living probably will still continue to go up. When we import food from some other country we obviously can't put a control on that. We'll have to pay the price at which they want to sell it to us. Food which is determined by the free market, including the international market, if the price of that goes up, the price of food will go up, and we are making that quite clear to consumers.

Q: The consumers who will be in effect monitoring very closely these prices, if they don't see any improvement will they play ball?

A: Well, they won't see any improvement.... we are hoping they will see some improvement; over a period of time it will be a considerable improvement. What we're milking out of the system is the excess price increases, the excess salary, the excess fee, the excess rental, the excess wage increases. We're setting them down to a certain limit. But the free market will continue to operate not

only in the case of farmers and fishermen, it will continue to operate in the case of the tens of thousands of firms and enterprises and groups across the country who are enjoined morally by the guidelines but to whom we say we are not going to enforce them with the full power of the law, not at this stage at any rate. In other words we are relying on the free market to operate equitably as it has for hundreds of years in the areas where the free market is free. But in those areas where monopoly power intervenes, either because professions have closed shops, or because unions have very strong unions, or because corporations have monopolistic power on the market, these are the people we are going to control, and prevent excesses.

Q: Mr. Prime Minister, first off I would like to get your opinion of how you think you were received in Assiniboia last night.

A: I thought it was a very friendly meeting, a very warm group of people. They seemed to listen to my statement and indicate interest in it. I can't speak for what decisions they will make of cooperating or otherwise but I liked the meeting in Assiniboia very much.

Q: Regarding the postal workers, we've had two contradictory statements, one from yourself that says that postal workers will be affected by the anti-inflation program, and from Bryce Mackasey saying, a few days ago, that wage controls will not affect postal workers. What is the actual position for the record?

A: Well I would be very surprised if Mr. Mackasey said that because I heard him answer this question in the House more than once and he always made it clear that the guidelines provided for the case of the postal workers. And I could read you the section here.



Q: The postal workers are affected?

A: They are very much affected. They fall under the special category of the transitional period which is written out in the White Paper which says that when contracts have expired and are in the process of negotiation, contracts which were signed before the 1st of January, 1974, in those particular cases special considerations will be given to the settlement. And we're going to sign the best possible contract we can with the postal workers and the Anti-Inflation Board will look at it and we hope it will find it within the guidelines.

Q: Prime Minister, you said yesterday there was no point in striking for a very large settlement. How long would you allow this strike in the post office...to go on before you take action?

A: Well, I would say that that question, which is an interesting one, is irrelevant to the Anti-Inflation process itself. In the sense that we are not, by this White Paper, we are not prohibiting strikes, we are not making them illegal. We're trying to fight inflation by putting ceilings on incomes and prices returns. But if the postal workers want to strike for a higher salary, if they believe they deserve it, nothing in this program prevents them from striking. So the answer to your question is not very different from what it would be in a strike a year or two ago. The government will have to make a judgment when public hardships are such that they overrule or outweigh the right of free collective bargaining. In those cases Parliament steps in and makes a law and asks the workers to return to work, demands them to return to work. And we'll have to make that judgment at some point in time. Hopefully the fact that the workers know that they won't be able to keep more than the Anti-Inflation Board and the Administrator permits. Hopefully that will be an incentive for them not to strike for wages which they are not going to be allowed to keep. But this

is merely an incentive, they still retain their right to strike and their right to withhold their labour.

Q: Mr. Prime Minister, I wonder if you would just clarify for me if you are going to at all guarantee to labour, that you will be enforcing controls on prices of various commodities. Speaking with labour in the past few days since you announced your program, it has been their chief concern that you've got an automatic control on wages, but everything is very, very sketchy as far as control on prices are concerned. Is there any way that you can guarantee there will be a specific program you will institute in order to put a ceiling on prices.

A: Well, that's very much the kind of discussion I have just had with the representatives of the Saskatchewan Federation of Labour a few minutes ago, Mr. Lang and myself. And my answer to them is my answer to you. We want to make sure that our control of prices and profits is as effective as our control of wages and salaries and rents and fees and other things.

Q: Can you tell us how?

A: Well, the White Paper gives a very simple basic rule. It is that if the costs of a certain corporation go up by \$1 they can increase their price by \$1. In other words they can't make a profit out of it but they can pass on a cost that they have been forced to incur. We under our guidelines, for instance, permit a ten or a twelve percent increase in the wages under the guidelines. The employer who has to pay a ten or twelve percent increase, supposing it costs him \$1 per unit of output, will be able to sell that unit of output \$1 more because he has paid an increase of 10% to his workers. But he won't be able to have a mark-up on it and say as it turns over I will

increase my profit. Now the workers say, well how can we be sure that works? Well, I say the government has pretty effective means through its present administration to make sure that it can check profits and books of corporations and so on. Perhaps some people will try to cheat. We hope they won't but hopefully we'll catch them. But essentially what we're saying to labour is: "You've always asked for price controls, it's been a part of your program for a long time, the NDP has been asking for price controls for a long time, well we've got price controls, so don't say you're against them. If you think that they are not effective, if you think that we can make them more effective, tell us how and we will gladly do it because we want it to be effective". And I think that they will try and work on that and perhaps help us make a better system of controls on prices.

Q: Sir, you said before and during the campaign and as recently as last week in Macleans, you said that these kinds of controls, this form of extreme authoritarianism as you called it, just wouldn't work. It hasn't worked in the United States and it didn't work in Britain. Well what kind of new information do you have that has forced you to totally reverse your position?

A: We don't have the same kind of controls as those we were arguing against in the last election. Those controls were universal, they applied to everyone. Our particular controls are enforceable only against the big corporation, the big union, the professional groups, the landlords, and so on. So hopefully by having to control a much smaller number of groups and people the pace setters, the trend setters, we will be able to make them work more effectively than creating the huge bureaucracy which everyone recognizes would be needed to have universal controls. They are different



also in that we haven't brought in a freeze.

Q: Well, are they that much different than what happened in Britain and the United States?

A: Well, it depends what....they are different than what happened in the United States. They are somewhat different from what's happening in Britain now, where they have price controls and where they have wage controls but rather than on a percentage basis of 10 or 12% as we've got, they've got an absolute ceiling of six pounds. So they're somewhat different.

Q: They don't work there.

A: In Britain? I am not sure they are not working now. They were at 25% rate of inflation last year; this year they're hoping it will be brought down to 12%.

Q: Prime Minister, how do you explain to the city housewife the lack of any control on food prices when her whole perception of inflation is supermarket prices, and she also perceives the farmer as making a hell of a lot of money. What do you say to her?

A: Well, I'd say to her what I answered to an earlier question: we're not freezing the price of food products, we're just making sure that people are not going to make excess profit in the dealing in food products, whether it be supermarkets, or processors or whatever. And we're telling you now lady, don't expect that the price of the can of whatever it is is going to stay frozen where it is. We haven't brought in a freeze. In that sense, it's different from the system we were discussing in the previous question. Prices are going to go up. Prices which are in the system now--you know, if there's been a 20% increase in wages in, say, a packing industry last month, these are in the system, and they will be passed through and sure enough that will mean a higher price on the shelf

of the store. The dollar increase in the barrel of oil which we just had to pay about a month ago, this is going to work itself in the system and sure enough energy costs at the end are going to go up. So things are not frozen. What we are telling you madam, or sir, whichever the case may be, what we are telling you is that the inflation which in Canada was going up at 0% when we had licked inflation for a month in December, 1970, then went up 4% in the year after that, and 6% after that and 8% after that and 10% after that and last year it was 12%, what we are telling you, sir or madam, is that it won't go up to 14 next year and 16 and 20 the year after that. We're telling you that we are putting a lid on the rate at which prices are going to go up and if we are successful in a short period of time you will see prices begin to rise at a much lower rate, and if it takes longer well, it will take that much longer but we don't want to create false expectations at the outset. And here again, as I was saying earlier, the housewife will have to realize that food stuffs that we import, they are going to continue going up if the other countries want to, during the winter months, sell us their vegetables or fruit at higher prices.

Q: Mr. Trudeau, this morning Premier Blakeney suggested that cost increases be held back until after the Income Review Board rules on their justification and says that the process of investigation of price increases would take so long that the increase would already have affected other prices. I wonder if you would care to react to this.

Hon. Otto Lang: Well, I think the problem with that is that that would have the opposite effect as well of squeezing very much the margins and the workability of the system, so that the Anti-Inflation Board will certainly be trying

to challenge the visible and obvious price increases immediately. And they no doubt will be picking those areas where there is a lack of competition, a lack of other controls on them, and deal with them quickly and effectively. I think that's the sensible way of doing it.

Q: Mr. Prime Minister, in these guidelines as you've been outlining them in Winnipeg and in Assiniboia last night, I wonder about the consistency of asking a certain group of people, about 4 million I believe are affected by the guidelines as you outline them as the groups involved, in your speech in Winnipeg yesterday you stressed very heavily that the reason why consensus wouldn't work was because we didn't know whether the other fellow was going to follow or not. Well in this case of course at least half the other fellows aren't going to be following, and we see the raises going up. How can you expect the people to willingly accept it----they have to accept them in law obviously----but how can you expect them to willingly accept those who do come under the guidelines when they see the chap down the street getting a bigger raise?

A: Well, let me say that we don't think that will happen. I will explain why I think that. But let me also say that if it does happen then we'll have to go to total universal mandatory controls on everybody. But we're not only gambling, but we're expecting it won't happen, because we're expecting that in all those areas that you're describing, those that aren't the big corporations, the big unions, the powerful landlords, the closed shops which call themselves lawyers or doctors and so on, we're expecting that all those other areas which aren't the big ones or the powerful ones will be submitted to market forces. Now if we control, shall we say, the price of a can of beans



on the shelf of the supermarkets--can control it effectively--we're not going to control the price of the can of beans at the corner grocery shop. But we know that the consumer, if he's got any discrimination at all, is going to see the can of beans lower at the supermarket, and if he sees that the grocery shop, not being under guidelines enforceable by law, tries to increase his prices he just won't sell. So in other words he is subject to market forces, he is subject to forces which are determined by the law of supply and demand on the free market and that's why we think this system here will work and why we have made it different from other systems such as I was asked earlier, because we are believers in the free market where it operates. We're just saying that where it doesn't operate, because there are monopolies of some kind or Quasi-monopolies, we're going to control you. But for the others, we're relying on the free market and we're appealing to you to cooperate and watch each other and make sure that even in the short run there are no exceptions.

Q: So all of the people that are not under the guidelines are on the free market. Is that the theory?

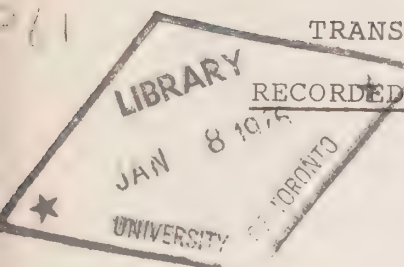
A: That's the theory.

Q: What is your reaction to Premier Blakeney's suggestion that controls be exempted in areas where wages are low and where workers are required.

A: Well, where wages are low, there is a provision for catch-up as much as ... well at 2% it can mean a differential of 4. Those who are ahead will be stopped at 8 and those who are behind can go up as fast as 12. So give a few years of controls of that differential and hopefully catch-up will have had time to take place. But if Premier Blakeney has some precise suggestion of making the controls operate in a fairer way we would certainly be happy to adjust

our regulations in ways which would make it fairer. That's why the Ministers are meeting in Ottawa today and tomorrow. We've attempted to introduce this element of redistribution of wealth when we've put a ceiling of \$2,400 as the maximum that you can get when you come under the guidelines. It means that the person who earns \$30,000 or \$40,000 or \$50,000 can't get his 8 or his 10%. He's blocked at whatever it is--5% which will give him \$2,400. And if you will remember that he pays, if he's in that bracket, he pays half of it in income tax, all he's going to get under our guidelines is say, \$12,000 maximum. Whereas the person who's earning \$6,000 a year, assuming that he pays no income tax, he's got family and so on, he's going to earn \$720 a year. So there's a great bringing together of the extremes in the economic brackets here.

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TRANSCRIPT OF THE PRIME MINISTER'S INTERVIEW  
ON "LET'S DISCUSS IT", CFRB, TORONTO  
RECORDED OCTOBER 24, FOR BROADCAST OCTOBER 26, 1975

Announcer: Tonight we have a two-part special on the topics uppermost in the minds of most Canadians: the recently announced government program of income and price controls and the strike at the Post Office. Here is your moderator, CFRB's director of Community Affairs, Arthur Cole.

Mr. Cole: Ladies and Gentlemen, our guest is the Prime Minister of Canada, the Right Honourable Pierre Elliott Trudeau. Our panelists are Bob Hesketh, Betty Kennedy and John Belanger. Mr. Trudeau, welcome.

Prime Minister: Thank you, Arthur.

Q: It's almost two weeks now since you announced your program of income and price controls and there has of course been a great deal of reaction to the proposals, not all of it favorable. Are you concerned at the strength of the opposition to the proposals?

A: No, not at all. I think it's natural that people look at them with suspicion and that they want to make sure that they will be fair and workable. We're not used to controls; we've got a society which is based on freedom, even in the economic sense. We tend to rely on the markets more than on the governments making the right decisions and I think it's normal that people don't want to get under controls. You'll recall that ourselves as a government, we fought controls in the last election, and as recently as last June's budget we were saying that we didn't want to go to controls. So that's only three months ago and we changed our mind for reasons, I'm sure, which you will ask me, but we felt we had to go to controls now and we did so with reluctance.



Q: Let's deal with that now. Why, a year and three or four months ago, you did fight an election, and this was one of the main issues, and as you say only a couple of months ago you had a budget in which you again turned down the idea of controls. What has happened in the interim?

A: What has not happened in the interim, I suppose, would be a better way of me attempting to answer the question. A year and a half ago and as little as three or four months ago, we were counting on the fiscal and monetary policies and on the new phase of the cycle in world development where prosperity seemed to be coming back to the United States, our biggest market where commodity prices were tending to drop, and we were hopeful and prayerful that we wouldn't have to take this step. And even as you know some economists are saying today: well, they didn't have to take this step, they just could have waited and inflation would have corrected itself. Believe me, that's what we've been hoping would happen. But obviously too many people in our economy haven't been playing the game that way; they've been asking for increases of prices, or of profits, or of wages, or of rents, based on the fact that they were expecting inflation to continue to get worse, not better. So when you have that kind of expectation and people are trying to protect themselves against escalating inflation, you cause escalating inflation. So the economists were wrong, the government was wrong. Inflation is not abating; we have to step in and use control.

Q: Don't you feel, sir, that three years is a kind of a gloomy length of time to anticipate an arrest of inflation? You're instilling in the mind of the working men not only a feeling of 10 per cent this year and I'm only going to get 8 per cent next year and I'm even going to do worse the year after that--three years out of my life where even if I increase my productivity, I'm not going to increase my income.

A: Well on productivity, of course, there is a provision. You can increase by 2 per cent. Let me just say, that if it were a short period, the reaction would be worse in the sense that the controls probably wouldn't work if people thought--the working man you're talking about or the businessman who has to see his prices set--if people were able to say, "let's relax, it'll all be over in a year or in 18 months". Then we wouldn't be killing inflationary expectations. It would be a see-through period and people would sort of hang around until the 18 months were over and as soon as we lifted the controls inflation would shoot up again because people would have been not restraining their demands but just delaying them. So by saying now, you know, it's three years and perhaps even more and perhaps the controls will get even worse, we hope we're making it clear that there's no sort of waiting through this period. The sooner you start to cooperate, the sooner we'll get out of it.

Q: Mr. Prime Minister, what can you do about the Post Office, because this is something that affects citizens from coast to coast. There isn't more a basic thing, and here you have a large group of people who simply say that they will not abide by this.

A: Well, I think that they haven't accepted the controls yet; they haven't got into the spirit of controls and therefore they're bargaining collectively as they've been used to ever since we got out of controls at the end of the Second World War. So in a sense, you can't be too surprised at that. They've been used--the unions and the employers and everyone else--have been used to asking for huge increases and getting them. So, they've been asking this huge increase for the past ten months. You can't expect them overnight to sort of forget what they've been asking for for ten months.

Q: I just wonder what alternatives there are, though, how you handle that.

A: Well, we've made that quite clear. The Postmaster General Bryce Mackasey has made that clear on behalf of the government. We've made them an offer which we think is fair, which is more than the 12 per cent because the bargaining has been going on for ten months and because historically they were on a par with the other half of the union and we said: "We think that under the exceptions provided for in the guidelines, we can give you more than the 12 per cent, a little bit more. If we're wrong, the Anti-Inflation Board will knock us down but we think we can." And you're asking what we're going to do, that's what we're doing, we're making it clear that that's it and nothing more.

Q: One of the points of your anti-inflation program is to inspire people to live by the spirit of the law. It only covers 4.3 million workers, 1500 companies and all federal agencies. If you do grant them that 38 per cent or more or even a little bit less, won't that inspire other people to want to cheat?

A: Well, if it's presented in the way you're doing it John, maybe they will. You know, it's not 38 per cent as compared to 8. It's something like 14 or 15 compared to 12. It's a little bit above the absolute rule, but I repeat, the guidelines made it clear before even they were introduced in the House of Commons, and I made it clear in my speech on that Thanksgiving night, that there are some transitional cases and here's a case of people who have been bargaining. They're asking much more than that; they're asking something like 70 per cent over a period of two and half years, but we're telling them, no, you're not going to get that, Now, if people interpret it wrong and if people want to see the government breaking guidelines when they're not, obviously it's going to be harder psychologically to get people to



cooperate voluntarily. But you're quite right in saying that's it's the intention of the government and the hope of the government that we won't have to apply guidelines enforceable by law against everybody, that there will be this spirit of fairness and cooperation which will prevent us not only from going against the little businessman or the unorganized worker but hopefully we won't even have to go against the big one because they will have played ball.

Q: Given the plans that have failed to work in two other jurisdictions, the U.S. and the U.K., isn't that rather altruistic assumption just a little bit too altruistic?

A: Well, I suppose...

Q: That's the hope.

A: Well, no, but it's also the diagnosis that it's failed. To what extent it has failed or not I can't really argue. Certainly it didn't succeed in the previous British efforts since they came out of control efforts and ended up with 25 per cent inflation. But is their present control system working? It appears to be working; they went in at 25 per cent and they claim they're going to get out at 12 per cent which is cutting it in half. So, it perhaps can be made to work.

Q: What is the bottom line for your expectation of our own inflationary rate? It's now 10.6 per cent, down from 11.1 the month before. When will you be happy? What level does it have to get to before you're satisfied?

A: I couldn't give you an absolute figure. I would say that in a free market society, you'll never get down to zero inflation. I know one totalitarian country, when you ask them about inflation, they say they have none and you ask, well, how do you manage, and they say it's against the law.

We don't have that kind of society here. I think we were reasonably unnerved--and I remember when I first came into office in 68-69--we were something like  $4\frac{1}{2}$  per cent inflation and it was as though the roof had fallen in on us and, you know, we had to take very drastic measures to correct that. I think we'd all be thankful now if we could get back to something like 4 per cent inflation.

Q: How do the guidelines apply first to dividends and then to companies that are in a loss position now?

A: Well, the guidelines make it clear that they don't apply to a company...if the result of the guidelines were to put a company in bankruptcy. They wouldn't apply; there would be exceptions for that extent. We don't intend to drive people into bankruptcy nor workers out of a job. It's just we're trying to get at those who are making a buck out of inflation, not those who are honestly trying to improve their business.

Q: And dividends, because that affects a lot of people?

A: Well, the same...dividends in the case of a company which is...?

Q: Where they may have over the last half of last year may have increased slightly. Now if they were to do the following year at that increased rate, they would be over maybe your 10 per cent. Are they going to cut those dividends back?

A: Well, in the case of dividends, we're asking that they be frozen under the guidelines for one year and this follows logically from the fact that we're asking companies not to increase their profits, the corporations not to increase their profits. We're using the dollar for dollar pass-through: if your cost goes up one dollar then your price can go up one dollar to recuperate your cost. If your unions get an increase of, say, an average of fifty

dollars a worker, then your product can go up fifty dollars. But you're not going to make new profits, therefore the dividends that were distributed last year should serve this year.

Q: Mr. Prime Minister, Richard Rohmer made a rather vitriolic attack on the program in a speech the other night, an excerpt of which reads: "by what right has the government the power to control what you and I earn or what profits your firms can make when it refuses to control or cut back on its own spending in this so-called time of crisis." Now, could you outline for us if the government is intending to cut back on spending and if so, in what areas?

A: Well, that's an approach which I really must reject in the operation of the anti-inflation package. I think it's a mistake to look for villains and culprits and devils. In the case of Mr. Rohmer, obviously the government is a culprit, it's the cause of inflation, and therefore why should anyone of us cooperate. In the case of the unions it's big business which is the culprit. In the case of big business, it's the unions who are at fault. I don't think this approach will get us anywhere. But more seriously, if it serves as an excuse as seems to be the case in this quotation you've just made, of denying the government to act on behalf of the common good, then we're into anarchy very much indeed. My only answer is that, on the facts, the government doesn't increase its expenditures in order to enrich the politicians. The money that the government takes from the economy by way of taxes is given back to the economy, either in the form of roads or houses or pensions or whatever it is. Now I've usually heard the argument that the government is taking more and more and more out



of the economy. It is, in terms of redistribution, but it's not in terms of goods and services. For the past 15-20 years, the federal government has been taking about 8 or 9 per cent out of the economy, not 39 as some people say, but 8 or 9 in terms of the goods and services that it requires, to build post offices or get service of one kind or another. The rest is given either to the provinces or to municipalities so that they should spend it on public clerks or to individuals as in the case that we've tripled the family allowances, more than tripled family allowance, more than tripled old age pensions and so on and so on. If you want to make that argument, tell us what particular redistribution you don't want to happen. Do you want us to cut on the old, the young or what?

Q: One area of expenditure that I've often asked myself about and I will tell you about it now, I think, it's \$9.3 million spent on Information Canada. We're in the news business here and I can honestly say that Information Canada has supplied me personally with very little if any information. What is the function of Information Canada and is it worth the money?

A: If you're concerned with it, did you ever look at the Estimates or ask yourself what Information Canada delivers?

Q: Well, that's what I'm asking. What does Information Canada deliver?

A: Well, for instance, the Queen's Printer, all the distribution of government publications, comes under Information Canada. So, do we abolish Information Canada and all that goes under it? Obviously not.

Q: Well, obviously not as far as that aspect of it...

A: But it's worth looking at Information Canada to see

what services it delivers and...

Q: The Queen's Printer though, and other services were operating before Information Canada came into being.

A: Well exactly, so it's really a government reorganization to put all these things--part of the Film Board, the distributive functions of the Queen's Printer, the government book shops, and so on, to put them under a new name, and people who think that they are going to make great economies by abolishing Information Canada haven't really examined the subject.

Q: But has Information Canada put any of the information services which existed before out of business? In other words have they been dispensed with or is this simply another layer?

A: Information services within the government? The essential new function of Information Canada was to coordinate the information giving services of the various government departments. And you know various government departments are there in order to let the farmers know what new program we've got for them and let the old people know what new program we've got for them and how they can qualify for the Guaranteed Income Supplement and so on. And when we created Information Canada it was at the recommendation of a board of inquiry that suggested that in a democracy people are entitled to know more about what their government is doing and it should be better coordinated. So we created a super-structure called Information Canada, which tried to coordinate that. Well, I can't say it is the greatest thing since sliced bread. But you could go at other departments which ...you know, why don't you ask me why don't we abolish the Department of Veterans Affairs.

Q: Why don't you abolish the Department of Veterans

Affairs!

A: You know why we don't. The fact that you're not making that point and that the opposition is not making that point is because perhaps there is some cowardliness about it. You don't want to go after the veterans. But we could integrate Veterans Affairs with National Health and Welfare. You know, would a lot be lost? Just a couple of years ago we tried to abolish the Veterans Land Act. You know, thirty years after the war we said most veterans have returned from the wars and resettled so let's put an end to this program. The opposition parties just landed on us like a load of bricks and I don't remember the media sticking up for the government. So it's all very well to tell the government to cut but do applaud us when we do.

Q: I'd like to ask you about the consideration you've given to products which are suitable for export. Now, if prices are to be held at specific levels in Canada, but you happen to be the producer of a commodity that has international markets, what's to prevent that producer from selling at world prices which are not controlled and so on, on the export market, and in fact, perhaps creating shortages in those goods at home.

A: Well this again, we are telling exporters that as a rule he will have to apply the dollar-for-dollar guideline in Canada, and not increase his prices. But if he can get higher prices in the world markets he should obviously go after them. And we are telling him that we are going to make sure that he will not divert his customary supply pattern from Canadians to abroad in order to make a buck. And we are also saying that if you do that it won't help you much anyhow because we're going to make sure that we will take that excess away from you, as we did in



the case of oil we're exporting. We have said we want to do it fairly. We've even discussed the possibility of taking it away for a while and then giving it back to the exporter. But it is a difficult question, Betty, and we'll try to deal with it fairly, but it does bear watching to make sure.

Q: And then fairly basically, in terms of all of the things that you've done recently. When John Turner was Minister of Finance, he stressed that new investment in productive capacity was the most essential ingredient in a successful fight against inflation. I'm wondering with these new measures whether actually you do the opposite.

A: To prevent new investment?

Q: Yes, you really discourage rather than encourage.

A: Well, I suppose it depends what people want out of the economy. Those categories of businesses which made money out of inflation because they were powerful enough to keep ahead of the game, probably don't like our control measures. But those I would say more responsible sections of the society who want to return to the market system providing that, that free operation of the market system doesn't destroy the economy, as it was doing with inflation, I think that they will be happy and that therefore they will be inclined to invest more. They'll say: good, the government is leading us into a period of more sanity in an economic sense, and where there will be higher employment and therefore more consumption. Perhaps not as high dollar wages but higher real wages and higher real profits, and if that's the gamble they should be investing.

Q: Prime Minister, the Canadian Labour Congress late this week decided to condemn the wage controls and the prices controls plan, and said they would mount a

massive lobby. Out west earlier in the week you got a very chilly reception I understand as far as labour was concerned. The Saskatchewan Federation said that there would be political action at all levels. They claimed that Trudeau has destroyed the right to collective bargaining. Now at the outset of the program, I asked if you were concerned about the opposition. I am concerned because it seems to me that a wave of strikes--you mentioned anarchy a few minutes ago--could lead to some kind of anarchy or even revolution, and what will you do if the labour unions, the big labour unions, really will not go along?

A: As I said earlier, I know--and I understand their difficulties because we have them ourselves--but when I met with the Saskatchewan Federation of Labour we had a half-hour meeting where we talked, I think, sense, where they submitted a brief essentially which said, "We think you should control prices but you are trying to control only wages". My answer was, "No -- would you be agreed if we did really control prices?" And, they said, "Well that is what we want". Well, I said, "that is what the White Paper says we are going to do". --"Yeah, but you are not going to make it work." I said, "look if you can find ways of making it work better we'll change the regulations, they're not final yet. You, labour movement, have been advocating a long while now that we should be controlling prices; at last we are doing it. Now you must think that it can be done since you've been advocating it, tell us how to do it better." And we think that this kind of dialogue will prove to them that we indeed want to be fair to everybody and not just control wages.

Q: But supposing it doesn't sir, supposing the response is purely an emotional one and they say no,

we will not go along. What then?

A: Well, if they say no and they bargain for more than the guidelines allow, the law provides that we can take that money back, so...

Q: You said you would do this with the inside workers-- how does it structurally work? You said you would take it from the worker, or the company, or in some way it would be in the form of taxes. How would this be set up?

A: Well, we have a Department of National Revenue which for something like fifty-five years has been collecting taxes from people so...

Q: So you would inspect twenty-two thousand tax returns.

A: Well, no more than we inspect twenty-two thousand tax returns now, because we assume and we are right that the great majority of people obey the law. If certain groups do not obey the law we go after them under the Department of National Revenue or otherwise. If it's the company which has deliberately broken the law, it will make it even easier because rather than having to go after a thousand workers we'll just go after the corporation, and say, "look, see here, you signed an agreement which broke the guideline, you did so deliberately, we had the Control Board tell you that you shouldn't and you did it anyhow, so we are just going to take it away from you." We'd do the same thing if the company were increasing its prices when we said that they're doing more than catch up on costs, they are increasing their profits and we would say; "okay you are the one person out of hopefully fifteen hundred who decided to break it and we'll take you to jail." You know, you put a few business men or a few union leaders or a few landlords or a few doctors in jail for three years and the others will get the lesson.



Q: Is it conceivable that we are seeing a total change in our system and we are seeing controls in an economy managed in a certain way and that it may never ever go back to the way it was before?

A: Well, it is conceivable, Betty, and it is a very serious problem indeed. I hope it's not what will happen. I hope that the three years that we say in the law will be three years and no more, and then we will get back to a market system. But it is conceivable that if people are not prepared to practise the kind of self-restraint and discipline on which society is based that we will have to keep authoritarian forms around for a longer period of time. But this isn't true only in the economic area, it is true in any other area. Why are people talking so much about law and order now, you know, why do they want the government to get tougher, to hang more people, to put people in jail longer, to restrict their liberty or sometimes even to remove their life. Why? Because society has not shown the kind of discipline, because crime is increasing, because parolees whose word we trust are breaking their word, people out on bail are committing crimes, so we are getting tougher. Any society in order to operate has to give that measure of freedom which people are prepared to exercise responsibly, but in the economy or elsewhere you're quite right it is possible that the law and order that people are asking for in social terms, they're apparently asking for in economic terms. You know, haven't they all been crying for the government to give leadership and do something. Well, they have got it.

Q: I was going to ask you then, are you getting that kind of feed-back in Ottawa? Because the questions around the table here, we have obviously been reflecting

all of the people who have had criticisms, who have had complaints, who have seen loopholes and so on. But are you getting any feed-back in Ottawa where people say, yes, this is what we want?

A: Well Betty, you know, as a practising politician, I'm a little relaxed about that because it was bound to happen. Just a month ago the media, about ninety percent of it, was asking the government to give leadership: why don't you do something? And the day we do something the media is saying: you know, are you sure you should have done this, and, gee, we wanted leadership, but not this leadership. You know perhaps that is your role but you're obviously reflecting those who are against controls now, whereas a month ago you were very intent on reflecting the opinions, the Gallup polls, of those who said, we need controls. So make up your minds.

Q: Nobody can fault the intent of the program. Obviously anybody who is against that is being totally unreasonable. However, one cause of inflation is too rapid increases in the money supply and the anti-inflation program contains no provision whatsoever for dampening that rate of increase down.

A: Well, that is a very good point. I can say I am glad you raised it because the White Paper does have a section on monetary policy. But more than just a written section, let me just remind you of something that happened early in September when Turner was still Minister of Finance. He phoned me one night saying: I've been talking to the Governor of the Bank, we are going to put the bank rate up to nine, is that okay, let's discuss it and so on. And I agreed and the minister agreed and the bank rate went up to nine percent.

Now, do you remember? I don't know what you people were saying, but I remember everybody saying: this is awful, interest is going up and so on. You should have been congratulating us for exactly what you suggest--controlling the money supply.

Q: I did, as I recall.

A: Well John thank you. Very few people did.

Q: It's a first!

A: But I just quote that to say that we are very conscious of your point and we are trying to control the money supply and make people understand that when they can borrow money at ten percent they are really paying nothing in terms of real interest.

Q: That's true, but the increase rate is still about twenty-three percent a year, is it not? There is no relation to part two.

A: No, no. It was in the first half of 1975 and that is why we increased the bank rate to tighten money.

Q: What is it now?

A: Well day-to-day, I couldn't tell you. But what we want it to be is something around ten or twelve. We want it to be more or less enough to finance the increase of the cost-of-living plus the productivity, which would be something around twelve percent.

Q: Mr. Prime Minister you spoke of the increasing crime rate and steps that are being taken to cut down on that increase. Could you give us any sort of an indication of what we can expect, in the way of legislation, and most particularly with regard to capital punishment, is it coming out of the--?

A: No, I am afraid you are anticipating a policy that we haven't yet announced, that we are discussing in Cabinet and that will be announced. But we don't want to detract at this time from the anti-inflation policy, we want to



finish dealing with that, or at least put a good dent in it before coming out with this other package.

Q: Thank you ladies and gentlemen, and thank you Mr. Trudeau for being with us this evening to give us your thinking on the important measures announced on Thanksgiving Day. Let's hope they prove effective.

A: Thank you Arthur Cole. Thank you very much, for the invitation and the wish.



TRANSCRIPT OF THE PRIME MINISTER'S PRESS CONFERENCE  
TOKYO, JAPAN. OCTOBER 26, 1976

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TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A TOKYO (JAPON) LE 26 OCTOBRE 1976

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Q. Mr. Prime Minister, my name is Peter Desbarats of Global Television. Mr. Prime Minister, you mentioned the CANDU reactor in your speech. Would you regard the sale of a CANDU reactor or reactors to Japan as an interesting test of the validity of the economic framework?

A. Well, thank you Peter for asking a question. I don't think I would use your words valid test of the validity. I think the framework agreement stands by itself and its validity will be tested by whether the businessmen and the investors and the governments on both sides over a period of time, use that framework and direct trade and economic relations in the direction provided in the framework. In the case of the CANDU reactor, we are asking the Japanese to be convinced by its validity, by its safety, by its efficiency and we are confident that such will be the case. But I would think it to be too much to test the whole framework agreement on the basis of one transaction. There may be other transactions than the CANDU one which are just as important as a test as some that have already taken place, the exchange of technology for instance in the lumber industry which has taken place, the joint agreement in the communication systems and the electronic systems which have taken place.

lation) Q. I think it is highly important considering that we have seen an agreement on the occasion of the Prime Minister's visit to Japan on expanded economy and cooperation exchange between our two countries, and Japanese economy and business community is growing interested in trading with and investing in Canada. But recently there has been a source of apprehension or anxiety in the Japanese mind namely the failure of Newfoundland Refining Company or NRC which has triggered a financial crisis or catastrophe of a Japanese general trading house and this has caused substantial unrest

in the minds of Japanese both domestically and internationally about the financial situation of these firms involved and I know the Minister of Finance in Bank of Japan, our Central Bank are also importantly concerned about this. We have heard that in this company, NRC, there is some involvement by public sector in your country be it provincial government or federal government and having said this much I have two questions Mr. Prime Minister. 1. How do you Mr. Prime Minister regard this particular incident of that company going bankrupt? 2. How do you foresee counter-measures about the bad debt by this company if there be any counter-measures considered?

A. Well, to me this is an example, as many happen all the time, of businessmen in the private sector or governments making a bad economic decision. The Newfoundland Refinery was predicated on increasing demand for refined petroleum, gasoline, in the United States, and it was predicated on a reasonably cheap source of petroleum. Neither of these two things happened. The demand in the United States because of high prices and because of conservation measures is not growing as fast as had been thought. Well, and of course the OPEC nations have increased the price of petroleum some four times. People lose money in the stockmarket all the time, because they think some industry is going to be successful and it's not, and to me this is just an instance of a gamble on some things happening which didn't happen. There's nothing that the federal government proposes to do about this. I would say personally that the federal government was asked to involve itself in the building and development of this particular plant and we refused because we thought it wasn't a very good gamble. We did accept to build some infra-structure, namely some harbour facilities, but we weren't very optimistic about the validity of the gamble and we didn't gamble and the federal government didn't lose any money. Sometimes you gamble and you win, sometimes you gamble and you lose. And I think even Japanese businessmen sometimes must lose.



ation) Q. Mr. Prime Minister, Canada has signed a serious contract to sell CANDU reactors to the Republic of Korea. The Republic of Korea is a signatory to the Nuclear Non-Proliferation Treaty and because of the fewer incidents in Canada of explosion you have attached very stringent rules of safeguard in selling this CANDU power reactor to the Republic of Korea. That kind of safeguard and cautious attitude I believe is right but doesn't this mean that you do not place confidence or trust in the Non-Proliferation Treaty itself of which the Republic of Korea is a member. May I invite your comment.

A. Well the safeguards that Canada has demanded of Korea and indeed which it is demanding of Japan if it buys a CANDU or which we are demanding of Japan as a purchaser of uranium, these safeguards go further than the safeguards provided for in the International Atomic Energy Commission. And they go much further, of course, than <sup>the</sup> general statements of the Non-Proliferation Treaty. It doesn't mean we don't trust Korea when it adhered to that Treaty anymore than it means we don't trust Japan when it adhered to the NPT. It means that we don't think that the safeguards which until now have been accepted are stringent enough and we are so fearful of nuclear proliferation that we have unilaterally increased those safeguards and we are trying to get other members of the nuclear suppliers group in London to increase those safeguards.

ation) Q. With the food obviously energy from Alaska, I mean Restaurant Alaska, I had actually two questions but I'll cut off the first question which was about this oil and gas pipeline through Canada but I'll go to the second question. You have been regarded, Mr. Prime Minister, as the symbol of a new Canadian personality. Could you please tell us what is this new Canadian personality?

A. Well I used to be described as a new Canadian personality but I think things are changing pretty much now. I can't even attract my wife to come and hear me speak. Maybe you should have asked your first question about the oil.

Q. Mr. Prime Minister, in the framework document that's been signed in this past week there's a suggestion that the Japanese will look more favourably on our efforts to enter this market. I'm wondering above and beyond those words that are in the agreement that governments usually work on a basis of self-interest and that when we come down to try and make it easier for Canadian businessmen to enter this market if our government is willing to exert the pressure through whatever levers we have, supplying raw material or whatever to ensure that what is ascribed to within the treaty, sorry, document, becomes reality?

A. Well I should say right now that I'll allow you a supplementary Mr. Hargreaves because I'm not sure I understood your question or I can add anything new to what I've already said. What the agreement is, document as you put it, the understanding, the framework, is opening roads for the private sector essentially; Or to the public sector as in the case of CANDU that Mr. Desbarats referred to. We're just asking that the Japanese government and through it the Japanese private sector understand that Canada is a modern technological nation, no more, no less. And this being written in the framework agreement, we are convinced that the direction of business will change. Returning again to Mr. Desbarats' question if we were to be excluded from the nuclear reactor market not because we didn't have a good system but because the Japanese couldn't be bothered to look at our system because they didn't think that Canadians could invent anything worthwhile in advanced technology, then indeed the framework would have served no purpose. But as I answered earlier the evidence I have is that, and the statements of the Japanese government itself are to the contrary.

Q. Mr. Prime Minister perhaps the supplementary won't help but anyway I'll try it and that is that it was my supposition that perhaps it wasn't as hopeful as you are that the signing of the document itself wouldn't necessarily remove some of the roadblocks of a practical nature that we see there. Now if the Canadian businessmen do take a greater interest and try and sell here presumably these roadblocks may still be in the way. What I'm asking is will our government use whatever levers we have as a matter of being tough bargainers at the table to ensure that above and beyond the signing of the framework document that suggests that it would be nice to do these things, that in effect these things do happen.

A. Well, the answer is yes. For instance this morning, Prime Minister Miki and I discussed the multi-national trade negotiations and I raised the question of tariff and non-tariff barriers, and the Japanese know our interests in those negotiations and we will naturally press for as open treatment as possible. To give the example of one roadblock, other roadblocks where they exist naturally will be perceived by the Canadian government. The whole trend of our economic direction now is to ensure Europeans and the Japanese that our resources weren't there just for the asking. That, yes, we were prepared to have agreements and trade in our resources, but we wanted to ensure that certain pollution standards were reserved, that certain upgrading policies were respected and particularly that certain securities of market be offered. This applies to agriculture for instance, about which we also talked a fair amount. In other words, the European and the Japanese are telling us well we want security of supply, and we'll be interested in talking with you Canadians, if you can guarantee security of supply of your food stuffs, of your raw materials and

so on. And we say, all right that's a fair request but we want security of demand, or security of market and if you want us to supply in a secure way, you must ensure us that we're not going to develop industries or mines or agricultural areas which go up and down like a yo-yo. And we're intent on it but we're also relaxed about it, and we sort of say well if you need certain things it must be to the mutual advantage of both countries, now let's discuss what mutual advantage is and I repeat the record in the past few years has been showing that we can reach many agreements on the basis of mutual advantage.

Q.           Monsieur le Premier Ministre, lors de votre voyage au Japon, vous avez cherché à convaincre le gouvernement japonais que le Canada pouvait être autre chose qu'un fournisseur de matières premières. Mais est-ce que, auprès des milieux d'affaires japonais, vous avez réalisé qu'ils étaient au diapason de leur gouvernement, le gouvernement est-il en avance sur les milieux d'affaires au Japon?

R.           D'abord je dois dire que les rencontres que j'ai eues, avec les hommes d'affaires ont indiqué que, ceux à tout le moins que j'ai vu, étaient bien au diapason de la réalité canadienne, à savoir que nous sommes autre chose que des porteurs d'eau ou des scieurs de bois et on a discuté assez longuement des réalités technologiques et techniques, les réalités techniques canadiennes et ceux là même qui étaient présents ont donné l'exemple que j'ai répété toute à l'heure de leur intérêt dans différents secteurs techniques de l'industrie canadienne. Notamment le président de la compagnie qui a une gestion conjointe avec une compagnie électronique canadienne était présent et il en a parlé. On a également parlé de l'industrie du bois, où il y a des échanges techniques dans le domaine de la construction des habitations. Bien sûr, on a parlé du Candu avec les hommes d'affaires et de l'ADAC. Alors tous ces domaines indiquent,



tout au moins chez les hommes d'affaires qui sont en pointe, que cette prise de conscience ne leur a pas échappée. Mais il reste que dans un système comme le système politique et économique japonais, le gouvernement a une forte impulsion à donner dans les relations économiques. On sait l'intimité des milieux d'affaires avec les milieux gouvernementaux, il était important au premier chef de convaincre le gouvernement de cette réalité d'un Canada technologique. Il était important de nous assurer que le gouvernement le déclarerait dans un texte public tel l'entente cadre dont nous parlions "framework agreement". Nous avons agi aux deux niveaux, je pense que notre rôle à nous, du gouvernement est de nous assurer que ce document soit signé, qu'il soit accepté par le gouvernement et nous sommes confiants que les hommes d'affaires qui ont déjà commencé à suivre, continueront à suivre en plus grand nombre.

Q. Prime Minister every time you travel, and we travel with you, it seems that you and we face the same challenge and that is to translate the high-flown language and the relatively vague concepts as outlined in the final communiqué into terms understood on a wider base by perhaps a less initiated group. On the assumption that you report to the House of Commons or in some other forum, what will you say to convince the electorate of the necessity and value of this trip?

A. To answer that Mr. Taylor, I must avoid the danger not of being esoteric but of being very prolific. There are really two subjects I would talk about if asked that question. The first would be the economic and the other would be the political. On the economic side, just look at the reality. Japan is our second largest trading partner in the world. Not many years ago it was Britain, it was France, it was Germany, it was Italy. These were all countries that we were intensifying our trading with, over and above of course the United States. Just two Prime Ministers ago the great effort was to divert trade you'll recall from the United States to Great Britain. Meanwhile, Japanese businessmen were performing the great economic miracle of our times. And as a result of their action, trade with Japan had moved to the

second place, right after trade with the United States. Now I congratulate the Japanese government and businessmen for performing this economic miracle which has now permitted them to be the third <sup>world</sup> economic power. I'm telling our Canadian businessmen that this second trading partner is obviously trading for its advantage, that of the Japanese, and that is the role. We should make sure that it is also to our advantage, from the government point of view that is what we have done with the foreign investment review act for instance. What we have done with <sup>of upgrading resources,</sup> our policy of subsidizing high technology like the CANDU. But, it's up to the private sector to make sure that this trading partnership and economic partnership of immense value is also of value to them and not only to the Japanese. That is the first point. On the second point, I think it equally important, perhaps even more important, Japan like Canada is one of the few countries in the world that has the capability of producing a nuclear explosive device and which has decided not to. All the countries of the world who know that Japan can produce an atomic bomb and they know that Canada can produce an atomic bomb, but they see here two countries who have decided to try and influence the course of world events not by immense defence expenditures but by trying to show the value of their ideas, of their democracies, of their approach to the less developed countries, of their approach to nuclear disarmament and so on. And I think that it's time that we realized that Japan is more than just an economic power but it's a very influential political power. In asia of course, and in the councils of the world, at the United Nations, at the North-South Conference where they have the CIEC Conference in Paris, where they are members of all the commissions. They were invited to Rambouillet, they were invited to Puerto Rico. I think they were invited mainly for economic reasons, and I think this is a mistake. I think we should realize the immense political potential of Japan. In a strategic sense it's obvious. I mean I would

imagine that the Peking government and the Moscow government must be terrified less Tokyo become too friendly with one rather than with the other. They have tremendous potential influence. They have that as I say with the less developed countries. They are a democracy. They practise democracy. And yet they are successful economically. I think not only we ignore that, I think the Japanese people themselves don't realize the extent to which they can have a heavy influence, a beneficial influence in world affairs. I personally would like to see them take an <sup>even</sup> greater interest in the new world economic order and take greater leadership. Because it is an affluent country, because they have been so successful economically, they can afford to develop new avenues for the last part of the 20th century. To show how democracies can switch from the life of more to the life of better and to lead the way amongst industrialized democracies in developing those new values and new concepts without which democracy won't endure.

Q. Prime Minister, as I understand, this document that was signed earlier in the week, it is a statement of good intentions on the part of both sides, and from the Japanese point of view, it depends on the willingness of the Japanese government to give the appropriate administrative guidance to Japanese business to bring the document into some form of reality. My question, therefore, turns not on what the Japanese might do but upon Canadian policy since we won't know about this document for some time to come whether it actually works. And did you state to the Japanese government or are you prepared to state as a generality of Canadian policy that it is your government's policy to discourage the large scale exportation of Canadian raw resources to countries which are not prepared to give us a reasonable share of their markets for manufactured and semi-processed goods and to engage in other joint activities such as joint ventures and investment enterprises?

A. Well, the answer is that I did not make that statement to the Japanese government and I think it would be a very serious error to make that statement, that we would not sell them raw materials unless they bought more of our finished resources or industrialized goods. I don't think Canadian businessmen should be given a free ride. I think that if they can't compete equally on the Japanese market because of roadblocks I think one of the early questions I think it's our duty to make sure that these roadblocks are removed, as we will attempt to do in the NTN, as we attempt to do through this agreement. But we're not asking the Japanese to buy our finished goods to do us a favour. You know, if our Canadian businessmen are not good enough to penetrate this market, to discover their potential, to do a selling job as the Japanese have done in Canada. They didn't ask us any favours, and they didn't sort of say, well you know, if you're nice guys we'll sell you some automobiles, or some cameras or some recording equipment or some motorcycles. They came in with a good product at a good price, and they penetrated our market. Now you know, I'm not telling the Japanese you must take our goods, you must take our CANDU reactor, you must take our STOL aircraft. We ask for a fair trial. We want them not to do us a favour, to do themselves a favour, to buy proper equipment, to realize that the technology is there, and that's an important part of our task, because I think it's true that the Japanese tend to look to the easy big market, the United States and if they can make a deal with an American businessman, well Canadians can take a back seat. At the government level we have overcome this, and that is what the document essentially means, the framework. You know, you look to us, and treat us fairly. But beyond that we are not telling the Japanese they can't get our raw material if they don't buy our goods. No way.



TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
OTTAWA LE 25 NOVEMBRE 1976

MR. LYNCH: We are now ready and are open for questions.

THE PRIME MINISTER: That's right, Charles. We are ready to take questions.

Q: Mr. Prime Minister, given your statement last night that you would fight to the end anyone who would not keep this country together, that you would do it with all your strength, can we take this to mean you intend to remain as Prime Minister, and Liberal leader, and will lead the party in the next federal election, or is there anything that would or could persuade you to step down before the next federal election?

A: That has always been my intention; to stay and fight separatism as long as I could. I said many times I have no plans of stepping down before the next election, whenever that is. I think you will find me in there fighting.

Q: Mr. Prime Minister, you said in the House last week that Canada is an indivisible country. Last night you seemed to take a somewhat different stand. You stated that Canada could remain united by stating the majority of Quebecers voting in the referendum would be in favour of a united Canada. Could you explain what you meant by that?

A: I had hoped I made that clear a little bit more last night when I said that Canada is indivisible. I said that about a country which has 100 years' history and more, and people whose destinies are interconnected. You just cannot cut a country in two any more than you can cut a human being in two. If you do, you do not have two human beings; you have a corpse. You can cut a worm in two, I suppose, and have the two worms, but a country like Canada is a very intricate society, and I don't believe you can divide it.

Indeed, I am convinced if we divided Canada by separating, say, the Province of Quebec out, Canada could not go on existing in the Pakistanized situation, but perhaps, more important from the Quebec point of view, I am not at all sure Quebec could go on living, because if you can argue Canada can be divided, surely you have to argue that an independent Quebec could also be divided. When would the independent Quebec be having a referendum to know if the people of Quebec want to split out and have some section become an independent country, or reattach itself to the United States.

So the whole concept of dividing a country like Canada is unthinkable. It is not only logically unthinkable, but it is politically unworkable.



You have a Pakistanized Canada, which is disconnected, and you have a Quebec which implodes upon itself, and runs into problems I have just stated.

Now, how does that link with what I said last night? I hope I made it quite clear that a country like Canada cannot be maintained together by force. It is not maintained as a country because we have some natural boundaries, whether it be a river, mountain, or sea. It is maintained together because the people of that country want to stay together.

If at any future point in time the people of that country do not want to stay together and live as one society, then, I don't see force, or an act of God, or any other way of keeping it together. That is my approach to Canada as a country.

Q: Monsieur le Premier Ministre, au lendemain du caucus de la semaine dernière, vous avez déclaré, et plusieurs de vos députés ont déclaré ne pas savoir exactement quel genre de fédéralisme vendre aux Québécois ou expliquer aux Québécois.

Lors de votre discours d'hier, vous avez plutôt parlé de changement d'attitude.

Est-ce qu'on peut savoir quel est ce genre de fédéralisme que pourront peut-être vendre ou expliquer aux Québécois? Qu'est-ce que sera le fédéralisme des prochaines années ou du moins des 2 prochaines années?

R: Je vous demande pardon, mais je n'ai pas dit hier soir que je changeais d'attitude.

Q: Vous avez dit que ça prendra un changement d'attitude . . .

R: De la part de qui?

Q: . . . de la part des Canadiens pour la solution en ce moment.

Alors, je vous demanderais une définition, peut-être du fédéralisme, à ce moment-ci?

R: Je ne poserai pas la question en tant que structure fédérative ou constitutionnelle. Je répèterais ce que j'ai dit hier: que pour qu'un Pays vive comme une société, une société unie, il faut que les gens veuillent vivre ensemble dans une même société.

Dans le Canada, cela veut dire qu'il faut que les 2 groupes qui, historiquement, parlent l'anglais et le français, et tous ceux qui se sont adjoints par la suite à ces 2 groupes linguistiques, il faut qu'ils se respectent les uns les autres; c'est ce que nous prêchons depuis au moins la Commission B-B et que Monsieur Pearson avait établi il y a 15 ans.

Q: Quelle sorte de relation institutionnelle, donc, peut-on nous attendre? "Institutionnelle", là, de Gouvernement à Gouvernement?

R: Je répète encore que le Gouvernement Fédéral, le Gouvernement du Canada va continuer de coopérer avec le Gouvernement du Québec comme il coopèrera avec le Gouvernement des autres provinces.

Il n'y aura rien de nouveau, rien de changé là-dedans. Ceux qui ont voulu voir tout à coup que le Fédéral suivrait une ligne dure vis-à-vis le Québec, ont vraiment inventé ou interprété des paroles qui n'avaient pas du tout ce sens-là.

Je l'ai dit dès le soir même des élections: c'était un Gouvernement démocratiquement élu. Il avait toute la légitimité et, en tant que tel, le Gouvernement Canadien continuerait de collaborer avec tous les Gouvernements Provinciaux, y compris celui de la Province de Québec.

Q: Monsieur Trudeau, au sujet du référendum que le Parti Québécois se propose de faire, je pense qu'il y a accord unanime pour constater que ce référendum ne peut pas être un instrument légal dans la constitution, pour changer cette constitution. Mais tout le monde sait aussi que ce serait un bon instrument de pression politique si, par exemple, le Parti Québécois obtenait plus de 50%.

C'est peut-être hypothétique mais c'est une hypothèse qui peut peut-être, dans les deux (2) prochaines années, avoir une certaine valeur: si jamais le Parti Québécois obtenait plus de 50% dans une question qui demanderait l'accord des Québécois sur l'idée de l'indépendance.

Est-ce que, à ce moment-là, pour vous, ça voudrait dire que la lutte que vous voulez mener jusqu'au bout, serait terminée?

R: Et bien, sans vous retourner tout à fait la question, vous pouvez aussi me demander: Qu'est-ce qui arriverait si le Parti Québécois obtenait moins que 50%?

Monsieur Lévesque, sauf erreur, a dit qu'il ne serait pas lié par un référendum qui obtiendrait moins que 50%, parce qu'il en reposerait un autre quelques années plus tard.

Alors, il me semble que lui-même, en disant ça, semble reconnaître qu'un référendum qui ne le lierait pas, ne lierait en somme personne.

Il le tient pour lui. Il dit: "Je serais lié seulement si ça va dans mon sens". Il me semble qu'il se met dans une fausse logique qui n'est pas acceptable.

Q: Est-ce que je peux poser une sous-question?

Donc, si le référendum obtenait plus de 50%, vous n'accepteriez pas que le mécanisme de déclenchement de l'indépendance soit automatiquement ouvert par une telle décision de la population?

R: Bien, écoutez, il faudra qu'on connaisse ce que Monsieur Lévesque a en tête. Vous le dites vous-même: c'est une question hypothétique.

S'il dit: nous tiendrons un référendum dans 2 ans, dans 1 an, dans 3 ans, et que tout le monde sera lié par le résultat. Bien, je voudrais examiner ça et puis je donnerai ma réponse à ce moment-là.

Mais s'il dit que lui ne sera lié que si le référendum va en faveur du Séparatisme et que s'il n'est pas lié par un référendum qui ne va pas en faveur du séparatisme, pourquoi moi je vous dirais que je serais lié?

Mais plutôt que de discuter de pourcentages, je reprends la réponse que j'ai donné il y a un moment à George, un de vos collègues, ici: moi, je crois qu'un Pays ne peut rester uni que si la grande majorité des gens de ce Pays-là veut rester uni.

Si vous me demandiez: qu'est-ce qui arriverait si, massivement, les Québécois voulaient se séparer et qu'ils expriment ça dans un référendum ou qu'ils expriment ça dans des élections générales, qu'ils expriment <sup>ça</sup> de quelque autre manière; je pense que c'est impossible de faire un Pays uni si un quart de la population refuse d'être uni.

Alors, voilà ma réponse. C'est pourquoi dans toutes mes optiques, je pense que ce qui est important c'est de créer et de développer le vouloir vivre collectif, de faire en sorte que nous comprenions tant les gens du Québec que les gens des autres provinces; que c'est important que nous continuions de vivre ensemble les uns avec les autres dans ce que j'appelais hier: une fraternité plus large.



Maintenant, c'est sûr qu'au cours des 100 ans d'histoire, il y a eu des difficultés assez nombreuses. Je peux les énumérer autant que vous. Mais c'était quand même des moments qu'on peut isoler dans notre histoire.

Je pense que, l'un dans l'autre, si vous demandez, en tout cas, à des observateurs impartiaux, ceux des autres Pays, ils diraient que le Canada est un pays non seulement extrêmement favorisé par la nature et par la providence mais que c'est également un Pays où la liberté, où la fraternité, où la tolérance des uns pour les autres existent à un très haut niveau.

Et moi, je trouve que de détruire un pays comme ça, je le répète, je crois que c'est un péché contre l'histoire, contre l'esprit.

Q: Monsieur le Premier Ministre, est-ce que vous envisageriez un référendum à travers le Pays, à travers le Canada, si un premier référendum au Québec donnait un vote majoritaire à l'idée d'indépendance de la Province?

R: Et bien, je ne veux pas toujours m'esquisser en disant que c'est des hypothèses.

Je vous dirai que celle-là je ne l'ai pas examinée mais que, certainement, il y a une logique qui justifierait une telle action; parce que, au fond, il ne faut pas seulement que les Québécois veuillent être Canadiens, ou alors séparés, il faut aussi que les Canadiens veuillent que le Québec reste dans l'union canadienne.

Je pense qu'il importe autant de demander aux autres Provinces si elles sont heureuses avec le Québec, avec ces exigences, avec nos propres exigences à nous, pour avoir une politique linguistique d'égalité, etc..

C'est comme dans un mariage: on ne demande pas seulement à l'homme ou à la femme: voulez-vous vous divorcer? On demande aux deux: est-ce que ça marche? Et on essaie d'avoir la réponse des deux.

Et c'est pourquoi votre idée, en tout cas, a une certaine justification logique, mais ce ne sont pas des hypothèses qu'actuellement j'entretiens.

Q: In your constitutional negotiations, would you be prepared to accept opting out, the approach in which certain provinces, obviously Quebec, would be able to opt out of the national program?

A: If you are using that word as opposed to special status, my answer is, yes. Not only my answer is yes, but demonstration has been made that, under Mr. Pearson's government, and under my government, there has been opting out.

I made a very specific proposal around 1970 to the provinces when we were discussing the redistribution of the powers. It was exactly on that subject. I said the federal spending power which has justified most of the shared costs programs -- I made a proposal under which we would not apply it to provinces who desire to opt out. Not only would they not be punished for opting out, but we would hand the cash back to the people of that province.

Mr. Pearson did the same thing when he permitted Quebec to opt out of many programs with the result that Quebec have many more tax points than the other provinces because they tax themselves to administer certain programs: post secondary education, and many others. We would add cash grants to make the opting out equitable to them.

To give you a third example; about a year and a half ago or two when Quebec said, "We would like to have family allowances but we realize we cannot have them because our tax points are not worth as much as those of Ontario, but would you permit us to apply the family allowances in our province according to our own norms, our own type of approach to family policy?" and we said, yes. Whereas in Ontario, I guess the allowance is something around \$23.00 per child, no matter how many you have, in Quebec it is much less for the first child, a little more for the next one and a great deal more for the third and so on.

So these are all examples of opting out, or applying in different ways to different provinces different policies.

We signed last week with Manitoba an agreement on communications which gives to that province -- it is an understanding between the two, because we do not try to discuss the constitution debate. We said, okay, you have always been interested in having your own cables under control of the province for cable television, go ahead and sign an agreement that gives you the right to accept applications for cable which will use your telephone lines, and the drops will be controlled by your government into the houses and so on.

So my answer is, yes, there always has been a flexible approach. If you ask me, will that permit you to go into special status, I will say that is another question which, you will agree, has another meaning.

Q:       Monsieur Trudeau, est-ce que vous avez l'intention de laisser à Monsieur Lévesque le choix de la date du référendum au Québec?

R:       Et bien, sauf erreur, je ne peux pas faire grand chose pour l'empêcher de choisir la date qu'il veut.

Je crois qu'il a indiqué qu'il ne voulait pas voir ce référendum assez bientôt. Ca, ça s'explique et ça se comprend très bien: il sait que pour le moment une majorité des Québécois est opposée à l'indépendance, à l'idée de la séparation du Québec. Alors, il veut attendre pour, dans son idée certainement, changer l'opinion publique.

Mais vous me demandez une question qui est hors de mon contrôle. Ce n'est pas question pour moi de lui laisser la date. Il fera son référendum quand il voudra, ou quand la pression publique dans sa propre Province le demandera ou l'exigera.

Q: Je vais vous poser la question autrement: dans plusieurs milieux on a dit que l'élection du Parti Québécois au Québec allait créer, non seulement pour le Québec, mais pour l'ensemble du Canada, une certaine incertitude financière, diplomatique, etc..

Alors, est-ce que vous pouvez concevoir des circonstances qui vous amèneraient, vous, à tenir un référendum au Québec sur cette question-là, sans attendre la décision du Premier Ministre du Québec?

R: Je disais tout à l'heure que c'est une hypothèse que je n'examine pas, que je n'entretiens pas pour le moment, mais qu'il y aurait une certaine logique à l'appui de cette hypothèse-là; non seulement sur la question du chronométrage dont vous parlez parce que - mon Dieu! c'est vrai si les affaires vont très mal à cause de l'incertitude, je pense qu'il y va de l'intérêt, non seulement du Gouvernement Provincial, mais également du Gouvernement Fédéral de mettre fin à cette incertitude le plus tôt possible.

Mais c'est une question à jauger. Si ce que vous dites est vrai, enfin, si l'hypothèse que vous entretenez est vrai, c'est possible que Monsieur Lévesque lui-même veuille tenir le référendum beaucoup plus tôt, quitte à le perdre comme il pense bien qu'il le perdrait beaucoup plus tôt mais dire: au moins la question est réglée, enfin, jusqu'après les prochaines élections.

C'est possible que dans son esprit, il irait de l'intérêt de la Province d'assurer de la stabilité maintenant, et d'avoir un référendum assez tôt.

Moi, je sais que l'opinion publique se meut dans ce sens-là. Maintenant, est-ce que ça nous amènerait, nous, à tenir un référendum? L'argument que je verrais à l'appui de cette hypothèse, je le répète: c'est qu'il ne faut pas seulement se demander si le Québec veut rester dans le Canada,

il faut aussi demander au reste du Canada s'ils veulent garder le Québec dans la Confédération?

Et moi, je me suis laissé dire que beaucoup de Québécois se tournent vers le PQ parce qu'ils se disent: au fonds, le reste du Canada ne nous veut pas, ne nous aime pas et ils veulent nous voir partir. Alors, si c'est ça qu'ils comprennent, on va y aller.

Alors, ça serait peut-être une façon peut-être de rassurer que le Québec, qu'ils sont vraiment aimés par le reste du Canada, à moins que le référendum aille dans l'autre sens, qu'ils ne sauraient vraiment pas à quoi s'en tenir.

Q: Mr. Prime Minister, on Monday the Auditor General brought in a report backed up by, it appears to be, two years of study by the 50 best accountants in the country, in which he said the government has almost lost complete financial control of a \$40 billion budget a year. They made specific suggestions. On the same day your government appointed a Royal Commission which appeared on the surface to be doing the same thing that these gentlemen had been doing for the last two years.

I wonder what justification you feel there is for appointing a Royal Commission in the face of a study that has already been done with some pretty firm conclusions.

A: I will make two points. The first one is, when you talk about losing financial control, the Auditor General is referring to the financial management in the departments, and I want to talk about that in a moment.

He is not referring, of course, to the overall expenditure side, you know, the Blue Book, the estimates, the Parliamentary system, the examination by Committees of Parliamentary spending. That is not the object of his concern.

We have made several announcements indicating that, indeed, we were cutting expenses, and whether you agreed with it or not, there is control of the overall amount.

His point and your question is relevant to the day-to-day administration, the financial control within the departments.

The first point I would make there is that the Glassco Commission some 15 years ago put an end to the idea of the Comptroller. There used to be a Comptroller who would sign every piece of paper, every account for what is spent in all the departments. Glassco looked at it and says, you know, this can't work. You can't control from the centre with any efficiency and effectiveness in that way, so let us decentralize, and let us put the day-to-day management, financial control, back into the departments, which is exactly what we did following Glassco with



our reforms of 1969 and so on. Therefore, we decentralized as Glassco requested.

After that system had been in operation for a few years, what has become obvious to us -- and not only to the Auditor General -- is that this decentralization ended up with the Treasury Board only having some control over application of policies, but it did not have a proper audit of the way the departments were administering their budgets in a decentralized way. So we began in 1974, the spring of 1974, to create a new position, the Deputy Secretary of the Treasury Board in order to have an audit, an ongoing audit, and a post-facto audit of what the departments were doing. We added to that last March by putting a whole division under this Deputy Secretary of the Treasury Board.

Indeed, when the Auditor General was appointed he had a lot of discussions, including some with myself and other Ministers, about this problem,

And we agreed with him that too much decentralization as we had applied it upon the Glassco recommendations, too much decentralization, was resulting in not sufficiently tight administration on a day-by-day basis, and something would have to be done about it.

Not only have we done these things about it, but we have done a whole series, the list of which was given in part by Mr. Andras on Friday, which you can refer to. An example which will be implemented tomorrow is that we are setting up a school, a class, in order that the departments have financial officers who would be able to control them in spite of their decentralized basis.

So when all this has been decided -- and we certainly agreed with 99% of what the Auditor General said. He said, the way to control it from the top is to name a Comptroller General, not the kind of one we had before the Glassco Commission, but a new one. If I understand him correctly he calls him an umpire.

We don't quite understand, and I don't think he, himself, is quite sure as to what the umpiring would be between, what parties. In other words, how do you exercise the responsibility? Is the umpiring between the Ministers and their Deputies, or is the umpiring between the Deputies and the Treasury Board, or is the umpiring between the Deputies and myself? Because they are responsible to me in a very real sense.

It is this problem which has to be studied which the Auditor General himself not only thinks, but has said publicly, has to be studied. It is this problem that has led us to set up a Royal Commission to study exactly this problem, and that Royal

Commission, the existence of which has been supported by the Auditor General in saying, yes, on this point of accountability we have to see how it can fit into our parliamentary system.

I recognize he said that he was a specialist in one area, but that does pose problems, because -- and here I am not quoting him, but my own ideas -- a government cannot only be set up in a way so that it will have good accounting practices which are necessary, but it also has to make sure its policies, personnel administrations, the efficiency of administration in policy areas, is under control,

Essentially that is what the Treasury Board is doing. It is exercising not only financial control but also policy control.

This is a question posed by the Auditor General. He agreed, and we agreed, it would be best answered by a Royal Commission which was not composed merely of auditors.

You can't run the Government of Canada like you can run General Motors or Alcan, because their object is to make profits. Our object is not to make profits; it is to apply policies, some of which are losing propositions, which will redistribute wealth in the country as well as make sure it will be created..

Q: Monsieur Trudeau, au mois d'août '67, dans la préface de votre livre: LE FEDERALISME ET LA SOCIÉTÉ CANADIENNE FRANCAISE, vous avez écrit que dans certains mouvements, certains courants du Mouvement Séparatisme, vous détectiez une nouvelle variété de national-socialisme.

Hier, vous avez parlé de Lévesque et de ses frères de sang, puis vous avez rejeté dans le paragraphe suivant: c'est une fraternité du sang, quitte à proposer à la place une fraternité fondée sur l'espérance et la charité.

Est-ce que ce rejet de la fraternité du sang était une façon plus ou moins voilée de dire que le PQ est entaché de racisme?

R: Non. Quand j'ai des choses à dire, je ne les dis pas d'une façon voilée.

Ce que je pense, c'est que l'idée même à la base du séparatisme, c'est que les Québécois seraient plus - se sentiraient plus chez-eux dans un Pays indépendant, qu'ils se sentent chez-eux dans un Pays beaucoup plus complexé comme le Canada.

Et mon idée à moi c'est que des sociétés sont plus riches, elles sont plus modernes, elles sont plus ouvertes à l'esprit si elles sont pluralistes, si elles sont basées sur l'apport de plusieurs ethnies, de plusieurs races, s'il le faut, de plusieurs langues. Et dans les articles auxquels vous faites référence, j'expliquais ça, je pense, assez lon-

guement. A partir du moment où on veut diviser un Pays sur la base de l'ethnie ou en disant que c'est la majorité qui doit gouverner et que dans la Province de Québec la majorité est francophone, je dis que l'idée du séparatisme est dans une impasse, parce qu'on n'a jamais voulu que la majorité anglophone, ici, nous impose de force la langue anglaise. On a dit: Non. C'est bon de vivre dans un Pays où il y a 2 langues et il faut respecter notre langue. Et je crains que l'idée du séparatisme, si cette idée-là est basée sur le fait qu'il y a plus de Canadiens Français dans le Québec, et qu'ils sont en majorité, je crains que cette logique soit une paralogie; et c'est ça que je redoute.

Je n'aime pas qu'un Pays se définisse par son ethnie, par sa langue même. Je trouve un Pays plus riche quand il peut avoir l'apport de plusieurs ethnies, comme c'est le cas, mon Dieu, de beaucoup de pays modernes: vous regardez l'Angleterre, vous regardez même les Etats-Unis, vous regardez l'Espagne avec ses Basques et ses Catalans, vous regardez la France avec ses Bretons et puis ses Basques, vous regardez l'Angleterre avec ses Ecossais, ses Irlandais et puis ses Welsh - ses Galois. Vous regardez la Suisse avec ses 3, 4 groupes ethniques à l'intérieur. Vous regardez la Yougoslavie avec 4 groupes ethniques.

Vous ne trouvez pas beaucoup de pays modernes qui soient définis en fonction d'une ethnie ou même d'un groupe historiquement compact. C'est possible de retourner vers cela. J'appelle ça le tribalisme, j'appelle cela un retour en arrière. Ce n'est pas ma conception à moi d'un pays moderne, d'un pays large, d'un pays ouvert sur l'esprit, et je préfère qu'on s'entende. Maintenant, si ce n'est pas possible, comme je l'écrivais également à ce moment-là, si les Francophones du Québec avaient affaire à une majorité pernicieuse, méchante, oppressive, bien, je dirais: écoutez, il faut faire comme les Algériens vis-à-vis la France: il faut faire l'indépendance.

Mais, mon Dieu! Si les Anglophones avaient été si méchants vis-à-vis nous Québécois depuis 100 ans, je pense qu'on se serait réveillé plutôt dans une révolte nationaliste où on aurait fait comme l'Algérie.

Autrement dit, je trouve que même les Anglophones Canadiens, même s'ils ont des intérêts opposés, parfois aux Francophones du Québec, ce ne sont pas des oppositions irréductibles.

Ma deuxième argumentation c'est que la division qui arrive dans des situations semblables ne résout jamais rien. Est-ce qu'il y a de la paix entre l'Inde et le Pakistan maintenant qu'ils sont divisés? Bien, ils sont encore en guerre.

Quand l'Irlande s'est divisée en deux, bon, il y a eu l'Irlande du Nord. Bon. Il y avait des minorités, là, et puis une majorité. Ils sont entrain de se tuer.

Il y aura dans un Québec divisé des majorités et des minorités. Il y aura une minorité anglophone et une majorité francophone, comme il y a dans le Canada une minorité francophone et des majorités francophones.

Autrement dit, on ne résout jamais le problème en divisant un pays aussi complexe, dont les gens sont aussi inter-pénétrés qu'au Canada. Est-ce qu'on abandonnerait tous les Acadiens? Est-ce qu'on abandonnerait ces gens du Nouveau-Brunswick ou de la Nouvelle-Ecosse, ou les gens de St-Boniface, ou les gens de la Rivière à la Paix, ou les gens de l'Ouest qui veulent vivre dans un pays bilingue?

Enfin, puisque vous me demandez des arguments, je vous en donne un autre: moi, je vous dis que dans un Québec séparé, les Québécois seront obligés de parler plus l'anglais qu'ils ne le sont dans un Canada uni. Pourquoi? Parce que, dans un Canada uni, au moins, le bilinguisme fait que les deux langues sont officielles et que les gens du Québec, quand ils parlent à Ottawa, ou même on me dit à la Colombie Britannique ou à l'Ontario, on me dit que dans les bureaux de ces Premiers Ministres-là, il y a une capacité francophone. Quand le Québec parle à ces gens-là ou à nous dans un Canada uni, il nous parle en français, dans la langue française.

Mais séparer le Québec. Le Québec va être obligé de se mettre à parler anglais en Colombie Britannique, et à Toronto et puis à Ottawa, comme il parle anglais à Washington ou à Londres.

Alors, je ne trouve pas que le problème même que le séparatisme veut résoudre, le problème de la langue, je ne trouve pas que les Québécois vont se mettre à le parler moins. Tout mon raisonnement c'est qu'ils vont être obligés de le parler davantage. Alors, ce n'est pas la peine.

Q: J'aurais deux questions à vous poser, une première qui est de nature un peu hypothétique, mais de ce temps-ci il y a certaines hypothèses qui tendent à prendre un peu la réalité.

Dans le cas d'un référendum qui serait favorable à l'indépendance du Québec, je crois que le Gouvernement du Québec a le pouvoir, en ce moment, de faire passer une loi qui proclame cette indépendance-là. Quelle serait votre attitude devant une loi qui proclame cette indépendance?

R: Et bien, je vais vous dire à ce moment-là que le Québec se mettrait en-dehors de la constitution. Vous dites qu'il a le droit. Je ne sais pas si je vous ai bien compris.



Dans la constitution canadienne, aucune province ne peut redéfinir ses frontières sans le consentement du Gouvernement Canadien. Alors, cette sorte de redéfinition des frontières par un Gouvernement Québécois serait illégale.

Maintenant, qu'est-ce qu'on ferait? Bien, je vous dis: ça dépend. Si c'est illégal et c'est fait d'une façon illégitime, je pense qu'on serait plutôt indigné. Mais si vous me disiez, un moment donné, dans une hypothèse où 90% des Québécois en auraient marre du Canada et voudraient s'en aller; écoutez, on n'a pratiquement pas besoin d'un référendum pour nous dire ça, un moment donné, ça se sent dans la rue.

Et à ce moment-là, je vous dis, je le répète: moi, je ne suis pas de ceux qui voudraient garder le Canada ensemble de force.

Q: La deuxième question: vous avez parlé hier - vous avez dit que les Québécois ont élu un nouveau Gouvernement et n'ont pas choisi un nouveau pays.

Monsieur Clark est allé plus loin que cela un peu aujourd'hui, il a dit que c'est plus qu'un nouveau Gouvernement, un autre Gouvernement qu'on a élu, que c'est peut-être aussi une forme de fédéralisme qu'on a rejetée, celle que vous avez pratiquée depuis 8 ans et qu'il qualifie de rigide et assez inflexible.

Qu'est-ce que vous répondez à ça?

R: Et bien, je ne veux pas répéter la longue réponse que j'ai donné à Monsieur Gwyn tout à l'heure où j'expliquais pratiquement la centaine d'exemples où il n'y a pas eu de rigidité, et quand on a donné au Québec le droit de changer les allocations familiales plutôt que de faire - parce que ce sont des allocations fédérales qu'on donne aux familles, on a dit au Québec: Oui, vous pouvez ajuster ça. Plutôt que de donner \$22.00 au premier enfant et puis \$22.00 au deuxième, vous pouvez changer ça de la manière que vous voulez.

Quand on a permis à la Province de Québec de se retirer de certains programmes conjoints en leur donnant des équivalences fiscales, c'était une forme flexible de fédéralisme.

Lorsque j'ai proposé moi-même aux Provinces autour de mil neuf cent soixante-dix qu'on mette fin au pouvoir de dépenser du Gouvernement Fédéral ou plutôt qu'on le contrôle, qu'on le limite d'une certaine manière, de sorte que si une Province ne voulait pas faire partie de programmes conjoints, nous remettrions l'argent à la population de cette province-là. C'était une façon de dire: Bon, bien, on est flexible. Si vous ne voulez pas du programme national, vous

pouvez en sortir.

Alors, je pourrais donner des centaines d'exemples. Mais ce que je veux dire - je répète encore ce que j'ai abor-  
dé hier soir sans avoir le temps de le développer: tout le  
monde a le mot "décentralisation" à la bouche. Nous, on est  
trop rigide. Il faut décentraliser davantage.

Bien laissez-moi commencer par vous dire que, de tous les  
pays au monde, le Canada est probablement le plus décentra-  
lisé. Enfin, ça peut se discuter, on peut peut-être regarder  
d'autres pays. J'aimerais bien que vous preniez le temps,  
si vous voulez.

D'abord, nous sommes très décentralisés parce que  
nous sommes une Fédération, mais notre constitution est éga-  
lement très décentralisée dans son application. Dans la let-  
tre, elle est peut-être moins décentralisée que celle des  
Etats-Unis, mais dans les faits elle est plus décentralisée  
que celle des Etats-Unis.

Vous n'avez qu'à regarder les dépenses budgétaires,  
additionner les dépenses des Provinces et de leurs municipa-  
lités qui relèvent des Provinces, puis elles dépensent plus  
au Canada que le Gouvernement central. Alors, on est décen-  
tralisé à plus que 50%, en tout cas, en termes de dépenses  
pour la population.

Moi, j'en ai un peu marre de ceux qui parlent de dé-  
centraliser sans préciser ce qu'ils veulent obtenir. S'il y  
a des problèmes précis ou des zones précises où on voudrait  
décentraliser, je suis premier à le dire que nous avons pro-  
posé et je vous donnais un exemple de '70 pour le pouvoir de  
dépenser. Je vous dirais qu'au même moment nous avons offert  
de nous départir de notre droit exclusif d'avoir des impôts  
indirects. Nous avons offert aux Provinces le droit de par-  
ticiper à la nomination des Sénateurs, à la nomination des  
Juges de la Cour Suprême. Il y a toute une série de mesures  
que nous avons mises devant les Provinces en '68, '69 et  
'70, qui font un reportage des pouvoirs qui en donnerait da-  
vantage aux Provinces dans certains domaines, quitte à dire  
aux Provinces: Bien, par ailleurs, dans d'autres domaines  
économiques, vous devriez peut-être centraliser un peu plus.

Si les gens veulent reprendre cette discussion, je  
le répète: le Gouvernement Fédéral, le Gouvernement du Cana-  
da est tout à fait disposé à le faire. Je ne sais pas où ça  
mènera, mais j'aimerais bien commencer par entendre ceux qui  
proposent la décentralisation, qu'ils nous disent jusqu'où  
ils veulent aller et surtout je voudrais savoir en quoi ça  
va résoudre le problème.

Je répète ce que j'ai dit hier soir: je ne pense pas  
que Monsieur Lévesque, Monsieur René Lévesque cesserait de  
se dire séparatiste ou vouloir l'indépendance simplement par-

ce que, à un moment donné, il aurait la juridiction sur les communications et puis sur la culture. Il dirait: Bon, bien, c'est un bon commencement. Puis quoi ensuite?

Et j'aimerais bien que ceux auxquels vous faites allusion, Monsieur Clark et bien d'autres, nous disent: Bon, bien, nous, on est prêt à aller jusqu'ici, mais pas plus loin. Dès qu'ils diraient ça, bien, vous êtes rigide, Monsieur, vous dites: "Pas plus loin", vous êtes comme Trudeau. "Pas plus loin".

Q: Mr. Prime Minister, journalists are frequently accused of giving part of a quote, or putting it out of context. You have just quoted the Auditor General only in a partial quote in which he says he approved the Royal Commission.

I attended that session of the Committee as he tendered his report, and he said very clearly that he agreed with only certain areas of that Royal Commission in that it did not prevent the establishment of a Comptroller General which he was suggesting immediately. He did not approve it as a substitute action as you have suggested.

Furthermore, he also made reference to the umpire six months ago, at least, in an off-the-cuff remark at a Committee. He subsequently refined that proposal at the Committee three days ago. He said there is no doubt as to whom he should report to. It does not affect ministerial responsibility. The Comptroller General would be another Deputy Minister very clearly answering to a Minister. So the whole question of ministerial responsibility is not up for grabs in his proposal. I think you have only partially quoted him.

A: I did not even quote him. I was not at the Conference; I do not have the quotes before me.

I do say -- and I ascertained the veracity of this, because I have heard it repeated and wanted to make sure it was true -- that he agreed with the necessity or utility of the Royal Commission. I think that is absolutely certain.

I do concede he said you should go ahead and establish a Comptroller General right now and still have the Royal Commission in order to define with more precision his role somewhat down the road. There is that difference between him and myself, and I concede that.

Q: He also was critical of your estimates which are the resource allocations. He also says your Blue Book is not accurate.

A: What does he say about the Blue Book?

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Q: There are 150 recommendations. That was a debate. I would now like to get to my question.

MR. LYNCH: We have a very long list here so please ---

Q: You are Prime Minister because you command the majority in the House of Commons, and as long as I can remember you have only made one major speech on a major issue, and that was on capital punishment. Virtually all of the other major developments, such as wage and price control, such as your statement last night, have not been made first to the House of Commons.

Do you accept some responsibility for the downplaying, then, of the House of Commons?

A: I think there is a value judgment in your statistics when you say you can only remember one major speech I made. I made a great many speeches which I consider would be major, major at least in length. You know, one hour and a half, an hour and three-quarters, forty-five minutes, and so on. Your judgment that they were not major is probably because you did not agree with the content.

Q: Mr. Levesque said he would consult -- I believe the expression he used was: "All the parties involved" on the wording of the referendum. Would you expect that the federal government might properly be consulted on this?

A: I have no idea, but I hope Mr. Levesque gives a Press Conference and you can ask him that question.

You know, we are not prepared to concede offhand that the referendum is the best idea, and the timing of it is appropriate and so on.

I would suspect Mr. Levesque would not have in mind he is going to consult us on the wording of the referendum, but I cannot say for sure.

Q: I wonder if you can tell us whether the patriation of the Constitution still is of high priority with you, and as a supplementary, have you had any indication from Mr. Levesque as to whether he wants the First Ministers' Conference postponed?

A: On the first question, yes, the patriation of the Constitution is still a high priority for me, and I am glad the provinces seem to indicate it is for them too. At least they reached that agreement early in October when they met together.

I don't know what position Mr. Levesque will take on it, but I suspect, in theory, it will be difficult for him to pose breaking these last links with colonialism with Great Britain. Even if they are only symbolic links, they are nonetheless real. If we do have to go to Westminster and change part of our Constitution, Rene Levesque, being an intelligent man and an original thinker, I should not be surprised -- but maybe I should not say this because it would be enough<sup>not</sup> to make him do it -- he might say, "Patriation of the Constitution, of course. Bring it back. We will agree tomorrow. We want to make sure in the Constitution the rights of Quebecers are respected now, and when they offer independence they will be independent." Chances are



he will be able to be just as independent with a Constitution in Canada as one in Great Britain. The Brits did not send any troops to Rhodesia when there was a unilateral declaration of independence.

I indicated earlier that I don't believe in force either, so perhaps there is no difference.

It is a priority, and I hope we will get along with it. I refute those who say we believe in the idea of independence for themselves. They should begin helping us to get rid of our colonial status. Your second question was?

Q: Any request for delay.

A: No. A few days ago, I sent letters to all the Premiers suggesting the date and the agenda, and I have not received answers from Mr. Levesque, and indeed, I do not know if any have come in from the other provinces yet.

Q: Mr. Prime Minister, do you think the practice of employing foreign agents to promote the sale of Canadian nuclear reactors is a good idea, and if so, do we have any control over the promotion those agents do?

A: Well, I am not a great expert in the subject of selling Canadian technology abroad. I am told whether you sell Candu reactors or certain types of airplanes, or other machinery, that it is quite usual and normal to have agents who know the country you are going to and know how to operate in that country. So I cannot say that the idea itself is one that I am repulsed by, but on the question of control, of course, I am very concerned, and the Minister himself indicated his concern by taking action as soon as he learned about this reality, that there had been, through this agent, expenses which he could not understand.

He asked that they be explained and the whole matter be aired before a Parliamentary Committee.

I think this goes into a much deeper question, that is that of the independence or otherwise of Crown Corporations.

The theory under the British Parliamentary system is that Crown Corporations are responsible for their general direction, for their day-to-day management. They don't answer, as departments do, for their actions. They are at arm's length in order to permit them to operate in commercial or quasi commercial ways, because they do not want Parliament, or even Cabinet, interfering in the day-to-day operations of how you go about building a railway, flying an airplane, or running a radio television outlet, or for that matter, selling Candu reactors. That has been the theory in the past.

The most obvious way of control is that on an annual basis these Crown Corporations would come to us with their budgets and would say, "here is our budget for next year." I know when I became Prime Minister I began to ask questions. These budgets

would be authorized by Ministers, but I would say, "Don't we have any more control than that? Can they decide to spend as much as they want to buying airplanes or building reactors, or whatever?" We began slowly asking them for five-year projections of their budget and trying to exercise a little more control in the sense that we would try and ensure that the Crown Corporations at least operate within the general objectives of the government.

We were walking carefully, because even to say this, I am sure we would have screams of protest that the government is trying to make the Crown Corporations subservient to its political objectives and so on.

The whole question has been examined in some considerable detail. The question has been raised, for instance, should not Ministers have the right to give policy directions to the Crown Corporations? I don't know if I am scooping anyone or myself, but we do intend submitting to the Royal Commission we have just established a Green Paper precisely on this matter suggesting that means be found to give the government of the day greater control over the Crown Corporations.

We may not be very brave in not going and doing it ourselves, but I repeat, we would be going against traditions in this country. We know we are walking on eggs when the government of the day says it wants to control the Crown Corporations a bit more.

This is a proposal we will be putting in the Green Paper.

Q: I wonder if I could be allowed to have one quick follow-up question. I am told Mr. Macdonell said today that he made Mr. Gillespie aware in October or late September that there was a problem with the receipts on the sale to Korea. You mentioned Mr. Gillespie answered right away in calling to the public's attention the Committee to meet this week. If he did, in fact, know in September or October, did he not wait too long?

A: I do not quote Mr. Macdonell. I said this afternoon in the House that Mr. Gillespie raised this concern with me many months ago. I could not give you the exact date. As a result of that he began changing the structure of ACL.

I want to say this in as careful a way as possible, but he changed the whole internal management. He named a whole new set of Directors. He created the position of Chairman of the Board and so on. So Mr. Gillespie is prepared to go before a Parliamentary Committee because, indeed, as soon as he learned about it several months ago he talked to me and said, "And I intend doing something about it right now, do you agree?" And I said, "Yes." And that is why he is prepared to go before a Parliamentary Committee, because he will then say what exact date it was and what exactly he has done and so on, and he wants this to be in the open.

Q: Did he tell you a couple of months ago there was a problem with the expense accounts involved in the sale of reactors to Korea?

A: Yes, he did. As a matter of fact, as a result of that, several months ago he sent the Chairman of ACL to renegotiate the whole bill for expense accounts that ACL had received. As a result of that, I believe the bill has been reduced very substantially, though I cannot give you any details.

Q: The renegotiated bill is the one the Auditor General is concerned about.

A: Thank God he renegotiated it because the other one was higher. I am not telling you everything is fine, I am just saying as soon as he learned about it, he acted very quickly.

Q: For clarification, on one hand you said the country can't be unified if one-quarter of the population does not want to be united, and on the other hand you suggested that the matter is for a majority of Canadians to decide.

A: When did I suggest a majority of Canadians?

Q: I am talking about a referendum in Quebec, or a referendum in Canada.

A: I am sorry. I think you probably misunderstood me. I said, on the contrary, that, you know, if 51% -- I would not be influenced by a 51 or a 49% vote. I think you would have to ascertain a much deeper feeling than that.

Q: I am trying to find out if a strong majority of Quebecers wanted to go, that we really could not hold the country together, or whether you are saying, even if quite a majority of Quebecers did not want to hold the country together, and 70% or 60% of Canadians overall did want to hold the country together, including Quebecers, then they might. Which is it?

A: I do not mean to evade the question. I just do not think I can discuss, nor would I encourage Canadians to discuss this as a matter of percentages. At 70% they can go, but at 59 they can't, you know, there is a state in the life of a nation where it can no longer survive as a nation. There is a state in the moment of a life of empires when it can no longer survive as an empire. They will go freely as they did in some cases in the British Empire, and in other cases they will try to be held back by force.

If a country wants to divide absolutely I am not on the side of those who say we will hold it together by force.

Q: I know that. But let us say 90% of the English Canadians really wanted Quebec to stay in, and 60 or 70% of Quebec wanted to go out, I can conceive of that situation. Where is the decision made? That is my question.

A: I would like to answer your question if you allow me to qualify it.

If 90% of English Canadians wanted Quebec to stay in, and if they behaved as though they wanted Quebec to stay in, and they recognized the complexity of <sup>what</sup> that means in terms of language policies, regional expenditure policies, and "French power in Quebec", and suddenly you are going to have a lot of French Canadians trying to be Prime Minister, or Commissioner of the R.C.M.P., and so on.

If 90% of English Canadians began to understand the country as we, as a party, have been trying to explain it for at least ten years, and <sup>if</sup> I said, don't worry, Quebeckers are not going to separate, they do not want to separate now and they have a lot of grievances, so they would not separate if 90% of English Canadians agreed. We are close. Let us treat our minority not with equity, but with generosity as they have learned to do in other countries with minorities.

As I said before, don't be afraid, the French Canadians are not going to take over. You can say the Pope won't either but he is not as great a menace as he used to be. French Canadians are not going to take over the country even if they have a Prime Minister, Governor General, Speaker of the House, President of Air Canada, and so on. You are still good, you English Canadians are still good; you still have a lot of qualities. You still control a lot of money; you still have a lot of brains. Do not worry, love us, and if that happens, Quebeckers will not want to separate. Don't mind if you see Corn Flakes written in French.

MR. LYNCH: I thought you said earlier the English had been generous and had been ---

A: I was saying that in French. I say they are not as terrible as they are painted to be. Some of them can be pretty bad.



*Canada Prime Minister*

TRANSCRIPT OF THE PRIME MINISTER'S INTERVIEW ON THE  
NBC-TV PROGRAM "MEET THE PRESS" WITH PANELISTS BILL MONROE  
(NBC NEWS), GEORGE F. WILL (SYNDICATED COLUMNIST), ROWLAND EVANS  
(CHICAGO SUN-TIMES), AND JOHN HART (NBC NEWS) TAPED IN  
WASHINGTON FEBRUARY 23, FOR BROADCAST FEBRUARY 27, 1977

*Education*

Q. Our guest today on Meet the Press is the Prime Minister of Canada, Pierre Elliott Trudeau. Mr. Trudeau is in his ninth year as Prime Minister. His government currently faces problems of inflation and unemployment, plus the political challenge of a separatist party now governing his own native province of Quebec. The Prime Minister has just completed visits with President Carter at the White House and a speech to a Joint Session of Congress. We are videotaping this program in Washington, D.C., as he is about to return to Canada.

Mr. Prime Minister, many people in this country were startled last november when a party took power in your native province of Quebec which believes in breaking Quebec away from the rest of Canada. Would you explain to a U.S. audience how this came about, what is behind the separatist movement and why you told the Congress it would not succeed?

A. Well, simply stated one has to remember that the separatist movement or various forms of ultra-nationalism have been existing in Quebec for at least a couple of generations. The separatist party itself was created as a political party around 1968. It had two general elections in the province where it tried to get elected on a separatist plank, platform, and it was very, very roundly defeated.

The election of 1973 brought the greatest majority to the Liberal party in the history of the province, because the separatist party was campaigning on separatism. This time they said,

"We are not going to campaign on separatism, we are going to campaign on good government. We want to provide an alternative to the tired government", and they insisted that separatism was not the issue. And because of our two party system people threw the government out and threw the separatists in. So that is the explanation of the assurances that we have that the people don't want separatism. Whenever separatism was put to them as a question, "Do you want a separatist government?" they said no, and they said no very roundly. But when the separatist party said, "Well, we are not talking about separatism, we won't have separatism unless you have a referendum and you consent to it as a special operation, elect us as an alternate government", they were elected. It is based on that, I have repeated the assurance which I think is confirmed by the election that the people don't want separatism. When given a choice they rejected it. When they say, don't elect a separatist government, elect an alternate government, they do. That is the essence of my stand.

Q.                   You have said if Quebec voted a couple of years from now or whenever a referendum might be held to separate, you would not endeavour to hold it in the Canadian nation by force. Is it generally agreed in Canada that if Quebec or any province wants to break away it can do so peacefully if it votes to do so?

A.                   No, there is no provision in our constitution or in our history or tradition that permits the country to break up, any province to leave. There have been at least one or two incidents in the past hundred years when a province sort of said it was going to break up, there have been political movements of annexation to the U.S.A. in the last century but there is nothing in the provision to provide the happening of that. So it is not as though this hypothesis could be envisaged legally. But my attitude is that a democratic country like Canada should only hold together because the people want to hold it together. I don't believe in the 20th century and as evolves a society, democracy as we have in Canada that people should be held together by force. And my whole approach to politics is that we must convince every Canadian of whatever region of whatever language of whatever origin

that it is to his advantage to live in this great country and not to break it up and I think that that battle has been won in the past and it will be won in the future. There is not only no need but it would be undesirable to talk about forcing people to love their country. You don't do that.

Q. At the same time a nation in which some of the components are talking of breaking away, in which there seems to be a consensus that a province that voted to break away could do so some how seems less solid, less of a nation. Does that worry Canadians?

A. Well, yes it does, but my approach to that is that it would have been better, of course, if there had been no separatist party, but when you are in politics you deal with the facts and the fact is that there has been a running grievance of french Canada against Canada as a whole. The French Canadians, as you know, some six and a half millions of them, speak French. They were there before the English, they formed a society before the English conquest, and in, well, the 200 years since the conquest there has been no desire, no willingness to forget French and to turn to English, and no government, I think, would want to force French Canadians to speak English if they don't want to. But that reality has not been, I think, fully accepted by the rest of Canada.

Many Canadians still see Quebec as a distant reality and perhaps there are some quaint people down there who speak French. But nobody realizes that something like 18 percent of the people of Canada speak no language but French, and that created a real grievance in the province, and that grievance could not be exercised until we met it squarely and my positive interpretation of the election is that Canadians are now forced to face that reality squarely. Until now they could always say "Well, now, Quebec won't separate, where can it go?"



Nobody would really in his right mind want to separate. Now Canadians in general are faced with that possibility and to me it will be an act of political maturity to act in a way which will make Quebeckers want to stay in Canada. Other countries have had to remain united after a difficult civil war or after internal turmoil or revolution. In Canada, we want to do it peacefully, democratically, and the separatist party as you know is not illegal. It is putting forth an option which I believe it is in Canadians' interest to choose freely.

Q. Mr. Prime Minister, you might say what you said to Mr. Munroe in terms that Americans can identify with. Are you asserting a democratic right to secede from a federal union and are you saying therefore that Lincoln was wrong to hold South Carolina in a union that it manifestly wanted to leave?

A. I think each country must decide that question in its own way and probably at different periods in history the answer might be different. I certainly can't judge American society and the decisions it took. I am not even speaking for, I would think, every Canadian or perhaps not even every Canadian leader. I am just saying that personally I believe that our nation must be founded on the desire of Canadians to live together as one country and that I would not be part of any movement to hold it together by force, if the desire to separate were democratically and freely expressed in a convincing way. In other words I have shown as recently as 1970 that if some people wanted to promote the separatist movement by force, by the use of violence, undemocratic means, I wouldn't hesitate a second to use force to put it down and I did. But if in a freely held either referendum or expression of will of some kind a very large section of our population said, "We don't want to live in this country any longer", I wouldn't be the man to sort of say, I know better than you what is good for you.



Q.                   There is a question, I think, of whether or not a separate Quebec would be a viable nation and in a speech in New York Mr. Lévesque, the separatist leader said, "We believe," we meaning Quebec, "are a nation with all the essential requirements, a clearly defined territory, our own history, a common language and culture, a collective will to live together and maintain a national identity". Isn't he right?

A.                   Well, yes he is, but what I don't think he realizes is that his argument boomerangs beautifully. So what? I mean Quebec has existed in this way for a hundred years and it has progressed and it has existed freely under our federal form of government. It has had its language. It has had its civil laws, it has had its educational system, it has had its territory which was largely agrandized at the beginning of the century, courtesy of the federal government which gave to Quebec all the northern part of that province, and my answer to Mr. Lévesque is "Well, a good point, but why separate?"

Everything he talked about in New York at this speech he referred to good government, cleaner administration, better industrial relations, perhaps even expropriation of one industry, of one resource industry and so on. He has the power to do all these things under the present constitution. So to the extent he wants to consider himself as a nation, I have no objection. There are many nations in Canada, certainly in a sociological sense, beginning with the Eskimo nation and the Indian nation. But where I object is where this nation or society or community, whatever you want to call it, chooses to express itself as an independent state and I say that is not necessary and you are giving the proof, Mr. Lévesque, everything you want to do in terms of reform you can do under our constitution. The only thing he couldn't do which he mentioned in New York is perhaps have a different policy towards foreign investment, of course. Foreign investment in Canada is mainly under the jurisdiction of the federal government but in the sense that we can keep people out by exchange controls or other means. But in fact we don't. If people want to

come and invest in the province and it is to the advantage of that province, we welcome them.

Q. Mr. Prime Minister, you take a peculiarly benign view as I hear you as to the results in your country, Canada, if there is a secession and yet when you were in Washington seeing the President you said that for our country, the U.S.A., the secession of Quebec would be a more grave crisis than the Cuban missile crisis to the U.S.A.

You spoke a minute ago to Mr. Munroe of annexation by the U.S.A. in the past history of Canada, in various secession moves. Why do you say it would be so grave for us when it would not be perhaps, as I understand you, for Canada?

A. Don't misunderstand me. I don't think it wouldn't be grave for Canada. I think it would be very grave. And as a French Canadian myself, as a Quebecker, I think it would be disastrous for Quebec to separate and I guess it is in that sense that I said it is probably worse than the Cuban missile crisis.

Q. But for us --

A. As a French Canadian I think it would be terrible if we sort of ghettoized ourselves rather than use the whole country as a sounding board for the French reality in Canada and so on.

Well for Americans I really leave it up to you to speculate if the second largest country in the world, the country that is north of you breaks up, it seems to me it will send shock waves in a lot of the capitals of the world and I would be very surprised if Washington would not be somewhat concerned.

Q. Why wouldn't it be translated into four five, six,

ten more states? The recent President Ford talked about making a state out of Puerto Rico, we have made a state out of Alaska, out of Hawaii. Perhaps Canada with its geographic proximity, same culture, same language except for Quebec, parts of your country would like to annex itself to the U.S.A. Would that be so bad for us?

A. Well, it might not be so bad for you if some parts of Canada wanted to annex itself to you. It might be bad for that particular part of Canada but that is another question. But by virtue of the same argument that some want to annex themselves to you, some might not want to annex themselves to you and some might feel that the business of being so friendly with the U.S.A. is not to their advantage, as has happened in this hemisphere with other countries. But I really don't want to speculate at any great length on this hypothesis which in my view will not happen. I guess more for the benefit of Quebeckers who are told by their Premier that Americans view with indifference the separation of Quebec and that perhaps even a lot of American business and investing interests would consider the separation of Quebec inevitable.

My answer to them, and not to you, is that I am sure a lot of Americans on the contrary would worry if Canada broke up. But here again I defer to the opinions of American politicians and opinion makers.

If I were you I would be a little bit worried. You worry about some Caribbean Island being destabilized. I would think that destabilization in this country north of you would be of some concern to some people.

Q. Mr. Prime Minister, do Americans take your country seriously?

A: Well, I suppose to the extent that one takes ones neighbours seriously -- sometimes you can live on the same street as a person and not really know them, but if something tragic happens in the family, if there is a mortality or some serious disease, you are worried. If the happy events come over, if their child gets married or something, I suppose you begin to notice them. So in that sense, I think Americans are not overly concerned about their neighbour. But I believe, as with us, they are happy we are there and happy when things go well with us and unhappy when they go ill. Just from an economic point of view I think it is obvious that adverse happenings in one or the other country can have bad repercussions on the other. It is truer for us because we are, shall we say, the smaller neighbour, the weaker of the two countries.

Q: Some years ago you said living next to us was like sleeping with an elephant: no matter how friendly, you feel every twitch and grunt.

You have in recent years developed what we call economic nationalism. You have screened American investments and you said last week you had screened out about fifteen per cent of them, but still Americans own about half of your manufacturing --

A: More.

Q: Two-thirds or three-quarters of the oil and gas, almost all of the auto industry.

What good has this economic nationalism done for Canada, aside from irritate a few American businessmen?

A: What you call nationalism which can be, I suppose, called patriotism or in a more involved language the desire to control your own destiny, is the will of most countries. We realize that no country is completely autonomous, completely independent in this interdependent world but we like to control as much of our destiny as possible. We don't agree with some of American foreign policy,



we don't agree with some of its approaches to economic problems, we certainly don't have the same political system and it is natural that in the economic area, particularly in areas which we have defined and which I am sure would be accepted by you, as having a very direct bearing on the destiny, on the orientation of the country, institutions as important as banking, financial institutions, the media itself, we feel it important that Canadians control these institutions in Canada. We cannot control them when they are foreign owned and when particularly in your country you adopt laws to which you give extraterritorial effect. And if anything I think you are largely responsible for what you refer to as the mood of nationalism in Quebec. When you pass laws in Congress here and you say they will apply not only to American companies operating in the USA but they will apply to American companies operating in Canada, well, we take some objection to that -- as you would. I believe there is some objection in your Congress when the Arabs introduced boycott clauses and you say, well, "they can do what they want but we don't want them to tell us what we can do with our companies and with our financial operations". We don't like you to tell us what we can do and if we want to have trade with Cuba or trade with China, that is our foreign policy.

You say you have free foreign policy and the Americans have always let us have our foreign policy, thank God. But foreign policy is no good if it is just in the abstract. There are certain economic, financial, political relations that go with it and if you try to impose your laws on us we say no deal, and we take counter measures.

Q: Mr. Prime Minister, you have just concluded some talks with President Carter. Is there anything in his approach to foreign policy that particularly appeals to you or to which you particularly object?

A: Certainly nothing to which I found any objection. There were several areas which were of great appeal to me. His decision, his will to, for instance, go some distance in increasing nuclear safeguards on the peaceful use of nuclear energy, on the

technology, on the raw material itself. We have unilaterally a couple of years ago upgraded our safeguards considerably. And to do it alone -- in a world where there is a lot of competition is difficult and costly and we are very grateful that the U.S.A. is going in that direction because President Carter, as we are, is concerned about nuclear proliferation. Another area where I am very much in support and admiration of his stand is his desire to inject a new concern for human rights in international relations. There are different ways of convincing other countries to respect human rights as we see them, but he seems to be taking a fresh and courageous approach to it. I think that is very timely because the Helsinki Conference which brought detente a year and a half ago has been implemented I suppose with some indifferent success and before we renew the results of the Helsinki Conference, before we review them in Belgrade I believe next fall it would be good to see if President Carter can increase the concern in countries we deal with in the area of human rights. And there are many other areas I could go into.

Q: We have a bit less than two minutes.

Q: Mr. Prime Minister, some Canadians feel the problem is less to preserve the nation than to create the nation in the sense that 80 per cent of Canadians live within fifty miles of the American border and some Canadians feel they watch too much American TV and read too many American newspapers and are taught by too many American professors and to stop this there is a movement in Canada to create a Canadian consciousness with a kind of cultural protectionism setting quotas on all of these things. Isn't this a dangerous way to try and create a sense of national identity?

A: Well, it is. I for one have never shared the concern of a lot of academics for professors from other lands or students for that matter from other lands. In the area of culture, itself, I have always objected to putting tariffs on culture and to any form of cultural protectionism.

Now you might say, well, what have you been doing? Well, what we have been doing is promote Canadian culture, not negate other cultures. For instance when we took certain measures with the media we weren't sort of preventing the media from coming in. We just said we won't give foreign media the same tax advantages we give Canadian media or Canadian TV or publications. I am sure you must do the same thing even with your books. Whether you do or not is perhaps irrelevant because you are a pretty large country. But what we are doing is not giving tax advantage to foreigners. We say they can protect their own culture. We will protect ours. We will permit ours to flourish.

Q: Thank you, Mr. Prime Minister, for being with us today on Meet the Press.





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TRANSCRIPT OF THE PRIME MINISTER'S PRESS CONFERENCE  
OTTAWA, MARCH 10, 1977

Government  
Publications

TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A OTTAWA, LE 10 MARS 1977

Q: Mr. Prime Minister, your wife's travels over this last week or so have received a great deal of public attention and the Canadian media, I think, has respected your long held desire to keep your private life private, but in light of reports during the last few days do you feel that your privacy or that of your wife has been violated, and perhaps more important, when does the wife of the Prime Minister of Canada suddenly cross the line from private to public person?

A: Well, I suppose that's a matter of judgment. I think that if she goes to a rock concert that is very celebrated she has to expect to be noticed and written about. I have no complaint on that but I still believe that my wife's private life is her affair and mine, and I don't it should be made public. If it becomes public, it's fair reporting. If it is private I don't think it should be dealt with by innuendo.

Q: Could we then have your views on the coverage of her travels as has been made apparent to you?

A: Oh, I understand that the Canadian press in comparison to the foreign press have shown considerable restraint. In general. Perhaps not in particular. I mean there are probably some exceptions.

Q: On the same question, Mr. Prime Minister. A headline in a London newspaper today says: "Mrs. Trudeau rocks the dollar." The story quotes currency dealers as saying that the world-wide publicity generated by Mrs. Trudeau's travels may be linked to the decline in the Canadian dollar. How do you interpret the dollar decline?

A: Does it say anything about stamp collections!

Q: Could I ask a supplementary, Mr. Prime Minister? Mrs. Trudeau has cancelled official engagements in Nova Scotia later this month for what your office says are unforeseen personal circumstances. Would you have any elaboration on that, sir?

A: I hadn't known about any particular engagement in Nova Scotia, but I do know that Margaret is cancelling as many as possible of her official engagements some time down in the future. She wants to take that pressure off and become as much as she possibly can a private person for a while. As I said to an earlier question I think she realizes that when she does things publicly she has to expect to be reported. Perhaps that is why she is cancelling a lot of these public engagements. We are going to be having dinner with Mr. Jim Callaghan and his wife on Saturday night. I hope she doesn't cancel that one but that's a little far down the line, but if she cancels in weeks and months ahead I think that that's her right.

Q: Could I have one last supplemental, Mr. Prime Minister? How do you feel personally about your wife's association with the Rolling Stones particularly when they have been implicated in rather serious drug charges?

A: Well, I don't indulge in guilt by association when commenting on that kind of question or by putting two stories on the same page, one next to the other.

I know she likes rock music. She always has. She has taught me a lot about it. I don't think the Rolling Stones are as great favourites for her as the Beatles but then I hope she doesn't start seeing the Beatles.

Q: Mr. Prime Minister, I am interested more in your appreciation, perhaps of others' appreciation of what is going on this past week and I am wondering -- for instance I was in New York last night when Mr. Macdonald gave his speech that he made to a comparable group, the kind that Mr. Levesque spoke to, and I was struck by the enormous coverage in New York of your wife's activities

when compared to no coverage whatsoever of Mr. Macdonald's speech. I am wondering, perhaps, how these activities by your wife are perceived not only by foreigners and how that may affect the image of Canada abroad, but how Canadians perceive your efforts at this crucial time in our history and what effect these activities are having on you and your government in terms of the public's potential opinion, public opinion potential, and thus making your job much more difficult because of those activities.

A: Well, those are difficult questions to answer. I spoke to Donald Macdonald this morning and he didn't seem to be complaining. I suppose he knew he wouldn't have a very sympathetic ear because when I was in Washington Margaret also took the headlines away from me, so I think it's fair ball. You know, so a lady goes to a rock concert and then she goes to New York to visit her friends and to do some photography. I don't think she can be faulted for disappointing the Canadian people or rocking the Canadian dollar. If that is the way the media reacts and the people react because of that, I suppose that's too bad but I certainly wouldn't tell Margaret not to go to any rock concerts of the Stones or of anyone else, and whether on some other front they are accused of kidnapping or drug trafficking -- if she wants to go to rock concerts -- we have been to some together here in the Art Centre, and she has gone to visit a good friend of both of us in New York and this has been planned for quite some time. It's reciprocal. I hope the friend visits us.

Q: Well, I think what I am trying to say, sir, is --

A: Please tell me.

Q: Do you think that her activities as being perceived and written about in the media are damaging your reputation or your government's reputation or damaging your efforts to achieve your programmes?

A: Well, the short answer to that is no and if it does I don't care and the reason I don't care is that there is nothing that I would want to do about it.

If she loses me a couple of votes because of that, well I am sorry, but I don't expect Margaret to stop going to rock concerts and to visit friends in New York because some people will be misled into thinking she is not behaving right so it's okay with me. You know, it's her private life which is of concern to me, but if other people judge it wrong and because of that they don't like my anti-inflation policy, well, that's too bad. I suppose that's the price you pay for being in politics or one of the prices.

Q: Monsieur le premier Ministre, vous avez écrit récemment aux gouvernements provinciaux pour leur demander en répondant à monsieur Lougheed,

Est-ce que de leur part, récemment, eux vous ont re-répondu, si vous voulez, et est-ce que vous avez l'intention de les rencontrer très bientôt pour entamer les discussions sur l'une ou l'autre des deux offres que vous leur avez faites dans cette lettre?

R: Eh bien, je pense que la réponse la plus simple c'est de dire que l'enthousiasme n'est pas très grand. On ne se bouscule pas pour me répondre.

Il y a eu - en date d'hier, je crois qu'il y a eu deux réponses de premiers ministres qui ont commenté ma lettre. Sauf erreur, les huit autres n'ont pas répondu, y compris monsieur Lévesque qui n'a pas répondu.

Ceci correspond un peu à ce à quoi je m'attendais parce que au mois de décembre, quand nous nous sommes réunis entre premiers Ministres, les premiers Ministres m'ont dit: "Bon, on comprend, nous t'avons écrit une lettre en octobre, il va falloir que tu répondes, mais on n'est pas autrement pressés personne pour avoir une nouvelle conférence Fédérale-Provinciale sur la Constitution."

Et, c'est dans ce contexte-là que j'ai répondu à leur lettre pour boucler la boucle et dire ce que je pensais de leurs propositions et comment nous devrions en finir d'une manière ou d'une autre, et je pense que j'ai - j'aurai des ré-



ponses, j'espère que j'en aurai au moins sur la question du rapatriement.

Si on ne peut pas se décider de part et d'autre, on n'en parlera plus, mais ce serait important de savoir s'ils veulent se décider ou non.

Q: Est-ce que cette conférence doit avoir lieu, non pas nécessairement sur la Constitution, mais dans le sillon de vos rencontres tripartites ou peut-être pré-budgétaires?

Est-ce que vous avez l'intention avant le 31 mars d'en avoir une avec eux pour les consulter sur l'économie canadienne ou sur d'autres sujets du genre?

R: Non. Il y a eu une réunion des ministres des finances, il y a déjà un mois, un mois et demi si j'ai bonne mémoire. Il y a eu beaucoup de consultations au niveau des fonctionnaires, notamment ceux du groupe anti-inflation. Monsieur Pépin et son équipe ont fait le tour des provinces pour discuter tantôt avec les ministres, les premiers Ministres, tantôt avec des fonctionnaires.

Alors, il y a eu ce genre de consultation, mais nous ne prévoyons pas de réunion avant le budget du 31 mars.

Q: Mr. Prime Minister, Mr. Levesque in his speech opening the Session indicated that very firm steps were going to be taken to stamp out the traditional kind of patronage that is related to provincial government contracts. Things like the 5%, 10% and the build-up. I was wondering what plans you have in a sense for the federal government to match this. Are you going to continue the practices that have existed or are you going to come forward with the same kind of programme in order to clear away what Mr. Levesque refers to as the "banalités" of the political and the party situation in Quebec?

A: Well, I don't know what his programme is and what his precise plans of action are. Possibly he will just be taking steps to imitate our very progressive election expenses legislation and if so, we can give him a copy of it and tell him how it works.

Q: Well, let me elaborate. Mr. Lessard, the Minister of Transport at the end of January indicated that the "Dossiers" as he called them indicated this 5%, 10% and it applied to federal and provincial parties particularly in such joint programmes as the DREE programme where the two governments come together on substantial road building and it is in that context that I was wondering if you are really considering major reforms in your party's financing in the Province of Quebec?

A: I am sorry. Is this a PQ Minister, Mr. Lessard?

Q: Lucien Lessard I think it is.

A: I don't know. I doubt if he would be very objective in this when he says that the federal government has been toll gating. What does he do? Does he give the money over to us?

Q: I am sorry. I didn't quite -- the story recounted how the practice as it existed, it was automatic in connection with any road contracts.

A: Well, road contracts are given by the provincial government. If previous provincial governments have been toll gating and giving us the money, I should like to hear about it. I don't think we have ever received any money ---

Q: You have no toll gating practices with federal government contracts in the Province of Quebec?

A: None.

Q: Absolutely none?

A: No.

Q: Mr. Prime Minister, everybody has asked all my "Margaret" questions, so I will have to start general ones.

A: What about your wife!

Q: That's even more complex! With the polls out this week, of course, there has been a great deal of speculation about a spring election. Many people feel that the country is in such an unsettled state after the Quebec election that it would be dangerous to have a general election this Spring. In view of the unusual condition of the country at this time do you think it would be possible or desirable for you to make an unusual kind of promise for a Prime Minister that there will not be a general election this Spring?

A: I am sure, Peter, you wouldn't want me to say anything as unconstitutional as that. What if I lose a majority of support in the House? What if I lose a crucial vote? Can I make that promise? Can I just say I am going to disregard the House of Commons and not call an election? I certainly couldn't make that kind of a blanket promise but if you are asking me to indicate, other things being equal, if there is any intention of having a Spring election, then my answer is no. But I can't foresee all circumstances when one may be forced on me.

Q: Well, I think the question was phrased awkwardly. What I really meant was whether you would consider giving a commitment that you would not, on your own initiative, call a general election this spring?

A: Well, what do I get in exchange! A promise by the Opposition to cooperate with our House programme and to pass the bill with reasonable speed and not to try and defeat our budget and so on? I tell you I have no intention of calling an election. I certainly wouldn't sign a blank cheque saying that I will not use the constitutional privilege of seeking a dissolution if

something absolutely unforeseen and which I am not trying to secretly hide or plan, but if something happens, some great scandal (of my own this time) that I have to vindicate myself or if we are defeated by some quirk vote at some point -- if the Opposition stalls indefinitely and uses absolute obstructionist tactics and we can't get any of our legislation by -- there are circumstances where an election could be called. I just say as candidly as I can I don't foresee any, I don't expect any, and therefore I am not planning any general election.

Q: Well the "Margaret" and the "election" questions have now been asked. I would like to ask you, Mr. Prime Minister, whether you have any reflections on the apparent change in the emphasis of Mr. Levesque's statements of the subject of Quebec independence in which he now seems to be suggesting that he has something less than full sovereignty in mind and that he would like to sit down and talk about the constitutional revisions?

A: Well, if that is true, it is good news.

Q: Is that not your conclusion that you have drawn?

A: Well I think it is a bit premature to draw that conclusion but it may be linked to whatever he will answer to that letter I sent him in January, mid January, the one we were discussing a moment ago. It's possible -- I wouldn't say likely -- but it's possible that Mr. Levesque's government and party are prepared to discuss a new form of contract within Canada without going the independent route.

If that is so, I am very happy. I said in Quebec and I have said elsewhere that we are prepared to discuss any new constitutional provisions that doesn't undo the unity of the country and which sufficiently protects the rights and freedoms of the individual. With some basic reservations like that I am open to discuss any



suggestions from Mr. Levesque. I think he is making a serious mistake if he thinks he has to get independence first and then an association. Donald Macdonald in a recent answer, I think, to a question made very clear the government's position on that. We will not undertake to negotiate with a separate Quebec so if Mr. Levesque thinks that he is going to separate and then he is going to find a lot of people very happy to renegotiate with him, I think he is wrong. But if his policy is now, well we don't have to go all the way to independence, perhaps we can get what "Quebec" wants without going to independence, I would be very happy to hear that and I am certainly ready, willing and able to discuss the problem with him.

I submit that to my knowledge he has not said that yet. What is leaking out is that they don't want to break Canada. They just want an association with Canada but in order to get a good association they have to break up Canada first. They have to separate first or become independent first. After all, that's what their party is about but if they are saying they don't want to do that, I repeat, I am very happy. I just think we have to be a little bit suspicious because, you know, there was a bit of imposture after the election where he wasn't asking for a separatist mandate and once he was elected he told the Premiers and myself, then he told everybody via television in New York, that they were going for independence. There was a little bit of a turnaround there. Maybe he is turning around again and doing as he did during the election and saying, "Don't worry, I don't want to go towards independence. You can negotiate in confidence with me."

If that is the case I would be afraid of a bear trap. I don't want to be overly suspicious and if the Parti Quebecois says clearly they don't need independence, they just want some different place within Confederation, I am very happy to hear that and I would probably support that line. We do have to find a solution to the worries of not only Quebec but many other provinces about the kind of federation we have and seek to improve it.

Q: Mr. Prime Minister, in your letter last Friday to Harry Boyle you expressed doubts about the CBC. The existence of these doubts implies very strongly a dissatisfaction on the part of the government with the management of the CBC and with the job of supervision that the CRTC has been doing in making sure that the CBC lives up to its mandate under the Broadcasting Act.

I wonder if you have ever given any consideration to requesting the resignations of Mr. Johnston and Mr. Boyle?

A: Well I think I can fairly say that the thought hasn't crossed my mind. If it weren't embarrassing to Mr. Johnston I would say -- I hope he is a friend. He is a man that I have known for many many years. I suppose almost twenty, and for whom I have the highest regard, just as I have the highest regard for Mr. Picard before Mr. Johnston, so why would I ask for their resignations? I wouldn't know better people to put in their place. I think they have a very difficult job to do and without quoting anybody in particular I think if you get close to some of the people at the head of the CBC they will tell you that they have a very difficult job, to do and I am trying to help them do that job.

I think the experience of the past several years has shown that what many people see as the separatist proclivities of Radio Canada, for example, have not declined in spite of efforts on the part of management to make sure that objectivity and balance and everything else is respected, so let's have somebody as objective as we can look into the matter, and as we discussed last week -- I may have chosen an evil, but in my mind it's the least of the evils which were there. If it had been a Parliamentary committee, I am afraid it would have been looked at as a political donnybrook where the government would have had the majority of the committee and we were just trying to censor the CBC and so on. If it was a Royal Commission, I

suppose I would have been told that we chose them in order to find certain conclusions and besides it will take an eternity before we get an answer, so I

chose the CRTC within whose mandate this is possible.

Now I think that applies to Mr. Johnston as it would apply to Mr. Picard before him. They know the concerns that have been expressed by many members of the Quebec caucus, and I'd say by many Quebecers, and it is a problem that is difficult to deal with which surfaced two weeks or three weeks ago. How do you respect at one time freedom of the press and freedom of information and make sure -- to quote my own example, that the atheists who are really in charge of religious programmes are not biasing their programmes towards atheism. You know, do you give them religious blood tests or what? Do you just kind of say, well, you can keep your job but make damn sure you are not talking religion when you are being paid by public funds.

Some of you I think will get the parallel.

I am afraid, but I shouldn't...

I don't

think he has an obligation to start these investigations and I fail to see your implication that therefore I should consider firing him because he didn't do his job. He is not the manager. He is in charge of giving licences and the CRTC has made some rather rigorous demands upon the CBC.

You might recall that tiff between Mr. Juneau and Mr. Picard a couple of years ago so the CRTC are doing their job but the CRTC are doing their job, a particular job which we asked them to take on and which they are doing, and they accepted.

Q: C'est pour faire suite à la question de la semaine dernière sur le dernier livre de monsieur Vallières "L'exécution de Pierre Laporte".

Il semble que le Ministre de la Justice du Québec, monsieur Bédard, aurait l'intention de donner suite à la demande de monsieur Vallières sur une enquête publique au Québec, sur tout ce qui a entouré la crise d'octobre '70.

Qu'est-ce que vous pensez de cette possibilité



d'une enquête publique?

R: C'est tout à fait dans son droit, et s'il tient à la faire, nous collaborerons de la façon que nous pourrions à l'intérieur de sa juridiction.

Il est certain que les quelques 200, 300 personnes qui ont été arrêtées par l'application de la loi des mesures de guerre, il est certain que ces listes sont venues en quelque part. Je ne sais pas si le ministre de la Justice, monsieur Bédard, voudra en chercher l'origine.

Certainement que nous n'avons jamais essayé de cacher les faits dans ce domaine. Moi, j'ai dit en toute candeur à la Chambre des Communes, et bien des fois depuis, que les seuls faits sur lesquels nous nous basions, c'étaient des faits connus. Ce n'étaient pas des histoires mystérieuses ou des renseignements secrets. C'est sur la foi des faits connus qui avaient créé un climat, je dirais, d'épouvante, dans la province de Québec que nous avons agit. Et, si monsieur Bédard veut aller plus au fond de cette question, tant mieux. Je lui donne ma bénédiction.

Q: Mr. Prime Minister, to get back to the subject of your wife. Were you fully aware ahead of time of her plans to go to Toronto and New York and if so, why could not your office have confirmed or acknowledged the flight from Toronto on Tuesday evening or her intention of remaining in New York for several days which could have eliminated much of this speculation that went with the secrecy that seemed to surround the trip?

A: Because it is none of my office's business and they have strict orders from me not to comment on my wife's private goings on, comings and goings, and I am glad. I think they behaved rather well in this whole matter. I know they were deluded by phone calls or deluged by phone calls -- one or the other -- I don't know, but they have certainly done what they are supposed to do. Not to comment on what is for her a private trip and a private vacation and if she is seen in public, they say, well this is our job. We will take her picture --



Q: Well, sir, with all due respect, there is a fine line between private life of a public person and the private life of other individuals. Surely the itinerary for out of town visits can be distributed much the same as yours.

We know tomorrow where you will be in public activities and where you will be in private activities. Can that not be done for your wife's activities as well?

A: You know where I am going to be in my private activities tomorrow?

Q: According to the list that was given us, yes.

A: Well, they shouldn't.

Q: We are not speaking of every moment of the day obviously, but we do know in general where you will be in Montreal and I think the same could apply.

A: Well, that's not the way we work it. I can understand your interest but when Margaret tells me she is going off to such and such a place and she is going to do such and such a thing, I don't tell her, well, be sure you let Jean Charpentier know, because Mr. Margles is going to want to know about it and then be wondering what is the nature of her thoughts and everything else.

Q: Would not Marie Hélène Fox have been obliged to provide that information had she been available?

A: If she had provided the information I think it might mean that she would have lost her job as far as my wife is concerned. You know, she is buying, reserving tickets all the time for Margaret. I will tell you a big secret. She is flying to Vancouver on Monday and I think Marie Hélène has bought a ticket for her. I know you would like to know what she is going to do in Vancouver but she will be at the airport, but Marie Hélène won't tell you.

Q: Mr. Prime Minister, in recent weeks it appears that the abortion issue has become a hot topic again. The Badgley report and Mr. Lalonde's statement that he was going to put pressure on the provinces to establish abortion clinics and now the Alliance for Life, the anti-abortion group, is all up in arms about it. Do you feel that the present legislation is sufficient to meet the needs of the Canadian people?

A: Well, I think you are perhaps oversimplifying a little bit what Mr. Lalonde is doing. He is not putting pressure on the provinces to establish abortion clinics. He is just trying to ensure that the law is applied equally for all and there are areas where hospitals have not provided the same services as they do in other provinces and this is what the Badgley report indicates and Mr. Lalonde, as a Minister for Health and Welfare, is telling the provinces, "Well, we can't run your hospitals and tell you what to do, but we want you to know that the Criminal Code (which we don't plan to change) is not applying equally across the country to rich and poor, near and far, because of administrative arrangements that you have or have not made", and this is what he is telling them, but to get to the substance of your question we are not trying to change the abortion laws, in this session or the next one.

Q: Why sir? Do you feel it is adequate to meet the needs?

A: Well I feel on balance it's a good compromise, yes. I can make a long answer to that if you don't have too many other questions. We don't intend to change the law. We would like to see its application, not in a legal sense, in an administrative sense, like to see its application spread as fairly as possible across the country.

Q: Mr. Prime Minister, the opinion polls have fluctuated so drastically that they suggest a very volatile public mood. Would you care to try to analyze if you agree that it is volatile, or if you think there is

some wishful thinking out of it, do you think it's settled down at the present time?

A: Well, with only 41% we don't win a big majority so I hope it doesn't settle down. I think you have got a point about volatility. I think it is there when there is that kind of a swing from one month to the next. I would think that I would be inclined to feel that either the earlier polls were wrong or the later polls were wrong or perhaps they are both wrong. Or perhaps the opinion is volatile, but I am afraid I can't be of any great assistance. As I said, when polls are done I think we have to look at them more in terms of what they do for morale of the troops rather than an indication of what people are going to do eighteen months down the road at election time.

Q: Mr. Prime Minister, when you were in Washington the impression was left that the subject of the Arctic Gas pipeline was a subject discussed much like the others. It was kind of briefly touched on. Subsequent reports from Washington indicated that there was a serious amount of discussion about it and the impression was kind of left that Jimmy Carter was really counting on you to deliver a Mackenzie Valley pipeline by September 1st.

What exactly was the substance of the talk you had with Mr. Carter on that issue?

What was the substance of your talks on the Arctic Gas pipeline and what commitments did you make on that, sir, and what commitments did you make?

A: Well, I am surprised that you say that we left the impression of just having touched on it. I answered many questions in the House of Commons on that and I answered many questions at the Press Conference in Washington on it and I said that it had been indeed an important topic of conversation between Mr. Carter and myself and that it would be followed up a week later or two weeks later by Mr. Gillespie visiting with Mr. Schlesinger.

On the second part of your question, insofar as you have that impression that I promised the Mackenzie Valley pipeline to President Carter by September 1st or by any other date, that's completely wrong. That isn't even close. I did answer in the House and I repeat here that I indicated to President Carter and to the members of his Cabinet who were there at one particular discussion that we couldn't possibly give any undertaking even if we wanted because we still don't have the report of the National Energy Board which we can't influence in law until it's made and we still don't have a report from Judge Berger which we don't expect before perhaps next month. So I told President Carter that what I would endeavour to do is to examine these reports and get Cabinet to make up its mind on the whole question of the gas pipeline after having received these reports.

I would attempt to do it as quickly as possible within the time constraints that he may have and I believe September 1st is the earlier of the two deadlines that he might have to meet. So there is, as we know, some permitted slippage. That's the undertaking that I gave to him; that we would tell him our views in time for him to make up his mind. Okay, we go the Mackenzie or okay, we go the Alcan, or okay we can't go either with these darn Canadians and we will have to go the El Paso route.

Q: Did you commit yourself to a specific date?

A: Well, I have just said.

Q: In the talks with him.

A: Well I told him what I have just told you that we know that his first deadline was the 1st of September and we would attempt to give him an indication of our views by then.



Q: Mr. Prime Minister, on the subject of the CBC if you found, as indicated, that the best way to handle a long standing problem within the CBC was by an outside inquiry. Would you explain why you didn't simply go directly to the CRTC and make the request without first having this round of attacks by yourself and your Ministers which probably served only to inflame the atmosphere?

A: Well it really wasn't planned that way. We didn't sort of have the one two punch strategy where we would attack first and then go to the CRTC. If you recall, looking back for some years, I have, at varying times, expressed some disappointment in the CBC myself mostly (and I don't say this to make any particular point) mostly because in my travels around Quebec I have heard an incredible amount of complaints about it and I have talked to Mr. Picard about it and I have told him about those complaints. I am sure Mr. Pelletier, the former Minister, understood. He spent a lot of time transferring complaints over to Mr. Picard. Some of them you will recall were made from the late Mr. Real Caouette who obviously had very big support in the House -- so the story of the complaints -- surely I don't have to tell you that it is a long, long story which has never ceased in Quebec. It comes in waves generally around the time when the budget of the CBC is about to be released -- that's what the truth is and this particular time, as with previous estimates, I had a feeling that probably because of the election of a separatist party in Quebec, probably the members of the committee and not necessarily on our side, but certainly including members on our side were going to

give the CBC and probably even the government a rough time over the estimates. You know, why spend a half a billion dollars if you think that it is not promoting Canadian unity, but Canadian disunity. So I told my caucus that I would try and find a way of getting to the bottom of this without putting our party in a position of stomping out the freedom of speech and using its political clout in order to gain advantage for our views and so on. So that is the way it happened and the escalation of complaints led to a point where I said, I can't say as I said in '69 or '70, I am going to turn the key in the door of the CBC, I said that once and didn't do it, and I couldn't say it again, and so I said if you are all so convinced that there is separatism being peddled by the CBC, let's look into it. That's when I made the judgement that I was referring to earlier. There are different ways of looking into it and choosing the one which in my view is the least to be suspected of political interference.

Q:                   On an international issue, Mr. Prime Minister, will you support efforts or do you think General Idi Amin should be allowed at the Commonwealth Conference in June?

A:                   No, I haven't made up my mind on that yet. It may be hypothetical. President Amin has been invited to come to the last two or three Commonwealth Conferences and he hasn't shown up so maybe I won't have to make up my mind.

TRANSCRIPT OF THE PRIME MINISTER'S INTERVIEW ON THE CBC-TV  
PROGRAM "NEWSMAGAZINE", TAPED IN TORONTO MARCH 25 FOR  
BROADCAST SUNDAY, MARCH 27, 1977

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-- ...A CONVERSATION WITH PIERRE TRUDEAU, PRIME MINISTER  
OF CANADA. I'M DON MCNEIL, AND SHARING THE QUESTIONING  
WITH ME TONIGHT, KEN COLBY, FROM OUR OTTAWA BUREAU.

PRIME MINISTER, QUEBEC AND NATIONAL UNITY, THE  
NATION SEEMS TO BE CONSUMED WITH THAT SUBJECT.  
NOW YOU HAVE SAID THAT WITH ALL THE CERTAINTY THAT  
YOU CAN COMMAND, THAT CANADA WILL NOT FRACTURE,  
THAT ACCOMMODATIONS AND PROVISIONS WILL BE MADE.  
YOU HAVE ALSO SAID THAT YOU'RE NOT LOCKED IN ON THE  
CONSTITUTION, THAT YOU ARE FLEXIBLE. BUT ON THE  
OTHER HAND, IT SEEMS THAT IN THE LAST WEEK OR SO,  
YOU WERE TAKING A MUCH TOUGHER STAND WITH THE QUEBEC  
GOVERNMENT EVERYDAY. YOU TALKED ABOUT CONFRONTATION  
AND NOT COMPROMISE. AS WE UNDERSTAND IT NOW, MOST  
CANADIANS ARE, I THINK, SYMPATHETIC FEDERALISTS, BUT  
THEY FEEL THAT SOMETHING MUST CHANGE AND THEY NEED  
GUIDANCE. I'M WONDERING IF YOU COULD CLARIFY YOUR  
POSITIONS.

Well, I hope I can. When I say that there's no  
accommodation with separatism, I obviously mean that.  
I don't believe there is. If somebody has decided to  
separate as the Premier of Quebec said, and he's not  
prepared to enter into constitution negotiations, as he  
said he would not, then I don't see any point in  
putting to him proposals for changing the  
constitution. He said he wants to get out first,  
bring Quebec out of Canada and then negotiate some  
kind of association. But if the aim of the  
Quebec government is to separate, to be independent  
from Canada, I don't seek confrontation. I believe  
they are seeking it with Canadians, but I can only  
say well, if you're not interested in negotiating,  
fine, we won't negotiate. But when I say accommodations



will be made, this is within Canada. This is not with the Quebec government. This is with the people of Canada, including those of Quebec. If Quebecers express to stay in Confederation, but a different kind of Confederation, I welcome that. I have as you know, as our government has, since '68 made a great deal of accommodation, made a great deal of proposals for constitutional change, and have in fact made a great deal of changes without the constitution, but in administrative or legislative areas. So the will to change there, the will to accommodate is there. It is important that those who seek a different kind of accommodation than that that we've been working at, express their point of view. And I think they are, and the dialogue is on. But it is not coming from the government of Quebec. It is coming from the people, the opinion leaders, the editorialists, the (thinkings) thinkers, the university professors and so on, and I welcome that very much indeed.

YOU'VE ALSO SAID THAT IT'S UP TO CANADIANS OUTSIDE QUEBEC TO MAKE AN EFFORT TO HOLD THE COUNTRY TOGETHER, AND IN TALKING TO, WE'VE HAD ENOUGH TIME NOW TO TALK TO A NUMBER OF THESE CANADIANS AND IN DIFFERENT WAYS, THEY ARE ANXIOUS, A SMALL MINORITY ARE SAYING LET THEM GO AND A SMALL MINORITY IN QUEBEC SAID THAT THEY WANT TO GO AT THE MOMENT. BUT I'M WONDERING, WHAT DO YOU SAY TO THE PEOPLE IN QUEBEC. YOU SAID ~~TO~~ THE CANADIANS OUTSIDE QUEBEC MAKE AN EFFORT. WHAT DO YOU SAY TO PEOPLE IN QUEBEC? WE HAVE NOT HEARD FROM THEM.

Well I, I believe I talked to them first in the early months after the November 15th election. I went to Quebec ah, several times with the message that ah, they too have to make a choice. They can't want to be outside of Canada, and inside of Canada



at the same time. They can't have the advantages of being in a great country and the gut joy of being independent and absolute masters of your own destiny. And my message to them has been - now it is up to you and your leaders, if not your government leaders, your opinion leaders, to try and express what you think is good for you. We at the federal government, and I hope I am also a Quebec leader in a very real sense, but we have made proposals to you. We've made some in Victoria, we made some at the various federal-provincial conferences, on constitutional matters between '68 and '71. We've made them at federal-provincial conferences on economic matters as we did last September, before me, Mr. Pearson, and before him, Mr. Diefenbaker and before him, Mr. St. Laurent have proposed various formula for adjusting the constitution. And you Quebecers through your provincial governments have always generally at the last minute, said, no, that's not what we want. Sorry, we break off negotiations. And I'm saying to Quebecers, well, this is not too mature a position. You have to make up your minds as a, as a Quebec group, what you want out of Confederation. We at the federal level have proposed various formula for accommodation. We have many more to propose but first there has to be a maturity of choosing, and this is what I've been telling Quebecers. You have to choose whether you want to be in Canada or outside of Canada. And if outside, I suppose it's quite simple. You're independent and then we see. But if it's within Canada, quote, unquote, what does Quebec want? Or perhaps even more accurately as Roger was putting it, how does Quebec feel, how do you see yourself inside this country? And you have to put it into words

and constitutional expressions.

IS THERE A LARGER QUESTION THAN JUST WHAT DOES QUEBEC WANT? IS THERE NOT A QUESTION OF WHAT DOES CANADA WANT? THE PROVINCES, AND IN PERHAPS ANY OTHER COUNTRY WHERE YOU'RE TRYING TO BRING HOME THE CONSTITUTION, IT WOULD BE A GREAT NATIONAL EXERCISE AND THE ATTEMPTS HAVE TURNED INTO DIVISIVENESS. WHAT DOES ENGLISH CANADA WANT?

Well, that's the other part of the message which I think I have been talking a great deal about and and I beleive the first question was , well, you've talked to English Canada and now, you know, I talked toboth. I can repeat what I've been saying to English Canada, but it is that you too have to learn to assume this country in all its reality, and one of its realities is that twenty five percent of more of the population have always spoken French and they always will speak French and you have to adjust to that reality. That is so far as Quebec is concerned. Insofar as Canada as a whole is concerned, you have to adjust to the reality that there always must be a central government. Sure, it's two thousand miles away and maybe it's too centered on central Canada, and maybe geographically it's hard to attain, and in terms of politics, you know it's overrepresented from the centre and so on. But if you're going to have a country, there has to be a central government and there has to be somewhere, so please be part of it. Please, and if you think constitutional change is necessary, so the Senate or the cabinet or the parliament or the constitution, tell us what it is. But you have to always come down to the basic reality that there has to be a central government, and the solution as for Quebec is the same for the other provinces.

It's to be part of it. And by this I'm not trying to recruit them into the Liberal party, but I'm trying to put an end to the feeling of alienation -- in some way Ottawa's too far away. In some way it's dominated by Bay Street or whatever. Well change it if that's the way you feel. Propose a different type of constitution, a different adjustment of parliament, but don't just say, (fine ) if I'm from Alberta, don't say those people in Ottawa can't speak for me. Do something about it.

HOW DO YOU SELL THAT TO THE COUNTRY? THE MOOD OF THE COUNTRY SEEMS TO BE THAT THE PROVINCES SHOULD HAVE MORE POWER, THAT OTTAWA HAS TOO MUCH. AND YET JACQUES PARIZEAU SAID HE OPTED FOR SEPARATION BECAUSE OTTAWA DIDN'T HAVE ENOUGH POWER TO REALLY MAKE A DIFFERENCE. Well, I think that's another example of the rest of the country not making up its mind also. They would, they would like to have a unified country with a strong central government, but they think that the (federal) central government has too much power. Okay, we're prepared to discuss. What powers do you think should be decentralized, more than have been decentralized in recent years? Just last week we introduced a legislation in parliament, decentralizing the communications area. In December, we decentralized fiscal and spending powers to the tune of some three billion dollars, to the provinces. We've made arrangements under Family Allowances where the provinces could decide how they would be paid and what proportion and so on. You know, I could go through the list, and as one of the speakers of the conference said, Canada, since Mr. Pearson and Mr. Trudeau, have been vastly, has been vastly decentralized. Want more? Okay. What is it? And let's discuss it, but don't just say it in theory.



THE ECONOMIST HAS SAID THAT, THE ECONOMIST MAGAZINE, THAT TRUDEAU'S TRAGEDY IS THAT OF HIS FAILURE TO TURN CANADA INTO A UNITARY STATE, AND WE'RE TALKING ABOUT A STATE NOW, YOU'RE TALKING ABOUT A CENTRAL GOVERNMENT - I'M WONDERING IF THERE EVER REALLY HAS BEEN A UNITARY, REALLY IN MY VIEW, THERE HASN'T BEEN A UNITARY STATE IN CANADA. WE'VE ALWAYS HAD REGIONALISMS. I THINK SENATOR MARCHAND HAS JUST SAID, THE WHOLE COUNTRY IS ALIENATED. OTTAWA'S TOO FAR FROM EVERYWHERE. AND YOU'RE TRYING TO DO SOMETHING, YOU TALK ABOUT A REDEDICATION OF WILL. WAS THERE A DEDICATION OF WILL IN THE FIRST PLACE? I MEAN THIS IS A NEW TERM TO, I THINK TO CANADIANS, A NATIONAL WILL, WHICH YOU SAY IS WEAK, BUT I'M NOT SURE WE EVER REALLY HAD THAT.

Well, I agree with you. I must say I'm puzzled, Mr. McNeil, by the quotation in the Economist, my tragedy is not to have turned Canada into a central state - as though I should have, or anyhow, maybe you could give me the quotation later, I don't understand it.

THE TRAGEDY IS THAT TRUDEAU'S FAILURE TO TURN, THE TRAGEDY IS TRUDEAU'S FAILURE TO TURN CANADA INTO A UNITARY STATE, SOMETHING IT NEVER WAS.

And something I never wanted it to be. No, I agree with you then, with Marchand and the others, that Canada is many regionalisms, in geographic terms and in ethnic and linguistic terms. And the fathers of confederation, particularly McDonald and Cartier understood that a hundred and ten years ago. BUT WHAT IS THIS NATIONAL WILL THAT YOU'RE TRYING TO FIND THAT CEMENTS IT? I'M NOT SURE IT WAS...

Well, I'll give you an example. The United States is made of many regions. California couldn't be different, more different than it is from, from New York or Maine, and Oregon from Rhode Island.



## AND WE WANT TO BUILD A UNITED STATES?

Still, there is a national will. And my, that national will arose out of I suppose, a series of historic events, including the tragic civil war, their overwhelming importance in the two great world wars, and so on. There have been events which have forged that national will. They have had occasion, to quote Lincoln again, to rededicate themselves to the union. I feel in Canada, we've grown a bit like Topsy. You know, we started with four provinces, then one was slapped on, then another, then two in between and we've grown like this and we've even, in human terms, we started with two main ethnic and linguistic groups and then others came into it and they added and they grew, and now they're almost a little under a third of the population. But there was never any real occasion to, to will, to continue to will this country as, as a modern twentieth century reality. And what I'm saying, and the reason for optimism as I see it, from the November 15th Quebec election, is that Canadians are suddenly realizing, this country might fall apart. We've got to do something about it. We've got to want to be Canadians. I've discounted the use of the army to keep a country together if it wants democratic to break apart. Therefore, what can keep it together? Only the national will. And I suppose in a sense, political parties, all political parties have tried to be an expression of that national will. But what people are realizing now, thank God, is that it is not enough for the parties to do it. We businessmen must do it, we union people must do it, we people in the communications business must do it. We must all get together to recreate a national will. And if we don't, we won't have a national will and the country will fall apart.

I'M INTERESTED IN YOUR STRESS ON NATIONALISM OR NATIONAL WILL, YOU KNOW, ONE READS YOUR WRITINGS THAT YOU ARE CERTAINLY AGAINST THIS IN QUEBEC, AND I THINK SOME OF YOUR CRITISMS HAVE SAID THAT, THAT YOU THOUGHT FRENCH CANADIAN NATIONALISM, THE OLD VARIETY, I SUPPOSE, WAS A KIND OF AN ILLNESS THAT HAD TO BE STAMPED OUT.

Well, I think there's a very serious dialectical error there, in confusing national will and nationalism. Nationalism is a doctrine which has historic and philosophical meaning. National will is, is the will to build and, and live together, and share one's future.

I DON'T WANT TO GET INTO AN ACADEMIC ARGUMENT, BUT YOU CITE THE UNITED STATES AS AN EXAMPLE. I MEAN THEY ARE NATIONALISTIC PEOPLE. AND THERE IS A NATIONAL WILL.

They are, and they've achieved it through the melting pot theory which is beginning to be less popular now. I have always felt that this kind of a national will shouldn't and couldn't exist in Canada. There is not one nation in the sense that we're all coming together and forgetting our differences. On the contrary, our party at any rate, has built the nation from Laurier's day on two language groups and on many cultures. Therefore, there can't be a national will in the historic sense of nationalism, of a nation which has a homogenous people, more or less. The national will I talk about is, is not the nationalism of the nineteenth century where the nation and the state identifies in a, in an ethnic or cultural sense. In the sense that I was combatting it in Quebec when Quebec nationalists say we are a Quebec nation and therefore we must have a Quebec state. Well I'd say for that matter, there is an Indian nation and an Inuit nation in Canada, and what would you say if they want to

have an Inuit state and so on. And the same I would say if Anglosaxons want to have an Anglosaxon nation or a WASP nation, I'd combat that too. This is nationalism in the historic and philosophical sense. And that is what I reject. But when I say, a nation has to exist, has to want itself to exist in order to exist, I'm saying that there must be a will which transcends the colour of the skin, the religion one practices, the sex. It has to transcend the colour, the creed, the language and so on. AND it's a much more difficult nation to build. But it has nothing to do with historical nationalism. It has to do with a sense of belonging, a sense of patriotism, of being better together than if we were apart.

(END OF PART ONE)

2-1

TRUDEAU

..... A CRISIS, OR A SEARCH FOR A NATIONAL WILL COMING THROUGH EVENTS IN THE NEXT SIX TO TWELVE MONTHS.

Well I would not hesitate to say that this sense has begun to develop since the election of the Parti Quebecois.

I'M WONDERING IF THE AIR CONTROLLERS ENQUIRY MIGHT MARK A TURNING POINT, A TEST IF YOU WILL.

Well I think it will be tested in many ways. In governmental and trade union terms it will be tested you know, if once again it is demonstrated that you can fly safely over Quebec and France just as you can fly safely over Portugal in Portuguese. But then the pilots or the controllers decide that they're still going to oppose bilingualism or the



use of french in Quebec. And now they say they, the national will will be very seriously eroded. If the contrary happens and people say well now that we know we can fly safely. We're happy to use french. Then the national will will be fortified. It will happen in many many occurrences. It will happen in business if business begins to sort of co-opt more french speaking quebeckers into their businesses, and say we want you to be part of the economic power elite, it will be a success. If they take too many years doing it, another hundred years to do it, then it will be a failure and so on. There's you know we're going to be tested all the time but I think the difference now, since November 15th, is that people will be measuring those tests much more accurately and anxiously. They won't accept too many failures in order to say the thing won't work. Or conversely, they won't need too many successes to say you know when we make an effort we really can will ourselves as a nation.

WHAT WOULD HAPPEN, IN YOUR VIEW, IF THE ENQUIRY SHOULD SAY "IT ISN'T SAFE".

Oh that would be...

WOULD THAT BE DISASTROUS?

Well it would be difficult. But I don't think it's going to happen. The department of Transport has proved technically that we could fly in french in Quebec and of course it made bilingualism possible in two airports, then 5, then 7, and 9. And so on. There maybe a point when it's, when it is impossible but I don't think that is the way the things have been happening. I really can't speculate on that.



IF I COULD TALK TO YOU FOR A MINUTE ABOUT RENE LEVESQUE. SOME PEOPLE HAVE SAID THAT THERE'S POSSIBLY A DANGER IN THIS LONG STRUGGLE. YOU SAID THAT IT WILL GO ON FOR A VERY LONG TIME, THIS ATTEMPT TO BUILD THE NATIONAL WILL. AND I THINK MOST PEOPLE WHO ARE LOOKING AT THE RELATIONSHIPS BETWEEN QUEBEC AND OTTAWA WILL NOW SAY THE NEXT FOUR TO FIVE YEARS IS GOING TO BE A PERIOD OF STRUGGLE AND SOME TENSE -- AND AT TIMES IT'S TURNED INTO A PROPAGANDA WAR.

I'M THINKING ABOUT YOU AND RENE LEVESQUE AND ARE YOU WORRIED ABOUT THE DANGERS OF THIS BEING PERSONALIZED? YOU GO BACK A LONG WAY. YOU KNOW EACH OTHER VERY WELL. HE SAYS YOU ARE CONFUSED. YOU THINK HE'S MISGUIDED. ISN'T THERE A DANGER OF A PERSONALIZATION HERE, OF LONG MEMORIES AND OF.....

Well.....

A MYTHIC STRUGGLE BETWEEN TWO....

Of course it will depend a little bit how the battle is joined and how it's viewed. I see it as certainly not a battle of personalities. But if it's depicted that way, as a cockfight which everybody can sit back and enjoy, I think that would be tragic. I think that all my answers up to now have been to indicate that the politicians alone, let alone one or two politicians can't solve it. It has to be Canadians in all their institutions.

Quebeckers in all their modes of expression, political administrative, economic, social, cultural, academic and so on, that we join the battle and if this national will is only translated by the political parties as I was saying earlier, I think it's very possible that we won't keep Canada together. There has to be something much more than the rest of Canada, dilettante-like sitting back in a chair watching a football game between the Parti Quebecois and the federalists. YOU know. And let's

see who's going to win. Everybody is playing this game now. It's the game for Canada's future. So I don't want to personalize it. I don't think Mr.

Levesque wants to personalize it too, either.

I don't know about his thoughts but you know I think the man has got a great deal of qualities and it's his policies that I attack, not the individual.

SPEAKING OF THE NATIONAL WILL AGAIN, IN THAT WE

WERE TALKING

EARLIER ABOUT THE DIFFICULTY IN

BUILDING IT HERE BECAUSE OF REGIONALISM AND SELFISHNESS AMONG REGIONS. I'D LIKE JUST TO TALK ABOUT THE

ECONOMY A BIT AND IT SEEMS AGAIN -- YOU SAID THAT

CANADIANS ARE LIVING FAR BEYOND THEIR MEANS. A LOT

OF PEOPLE HAVE SAID YOU KNOW

CONTROLS

ARE FINE EXCEPT WHEN THEY APPLY THEM TO ME, I WANT

TO GET WHAT I CAN OUT OF IT. YET OVER YOU KNOW

THE LAST TEN YEARS NOW WE SEEM TO BE NO BETTER OFF

THAN WE WERE WHEN YOU CAME INTO OFFICE TEN YEARS AGO.

WE HAVE HIGH UNEMPLOYMENT -- OR WORSE IN WAYS, HIGH

INFLATION, AND ENORMOUS SOCIAL WELFARE COSTS, AND I'M

WONDERING THAT YOU'VE PRODUCED EXPECTATIONS EVERYWHERE.

PEOPLE ARE SURE THAT WE ARE LIVING BEYOND OUR MEANS AND

A LOT OF PEOPLE WOULD SAY THAT YOUR GOVERNMENT HAS

PRODUCED THAT.

Well these criticisms are partly true. I suppose

one has to look at the broader context and I suppose

it's broadly true in most industrialized societies

that there's high unemployment and high inflation.

And it's the tragedy of the western economic and

economic societies, the industrialized democracies

which are built on creating expectations. People in

a free society want to have more for the old people

and the young and the sick and the maimed and the

hospitalized and they want more services. And

democracy is approached, that's why our people

tell the governments that they should be getting

more. And on the other hand our whole economic

motors is built on creating expectations and the

ads you have on television and the billboards and the newspapers -- they're creating demand all the time. And this has been for a hundred years a motor of progress. What we are seeing now is that we are reaching the limits of how far you can stretch those mainsprings, both in terms of government and I would say in terms of the economy. And as far as the government is concerned well you know, you know the lesson we have drawn. We are, the civil service is now closed to a zero growth rate. Federal budgets are about half the growth rate of G.N.P. and so on. We learnt a lesson the hard way. All I'm saying is that the rest of the Canadian people, the provincial and the municipal government are learning it too and it will be our collective performance which decides if in that sense, we will pull through. We want to continue living beyond our expectations, if we want to continue pretending we can get as rich as fast as before, then we will ruin the economy. Because we, you know, we're paying three or four times more for our energy. With the fall in the value of the dollar we're paying ten per cent more for our imported goods. If we want to pretend that we're as rich as before then I say we'll smash the machine. And the lesson is there, not only for the government, it's there for the private sector. I mean including the working side, the unions and the management side.

YOU SEEM TO BE SAYING THAT SELF-INTEREST, IF YOU WILL, GREED --HAS MADE US GREAT UNTIL NOW AND ENLIGHTENED SELF-INTEREST HAS WORKED. IT'S ALSO CREATED IN ECONOMIC TERMS THE SAME SORT OF DIVISIVE FACTIONALISM THAT EXISTS IN THE QUEST FOR NATIONAL UNITY. BIG UNIONS, SMALL UNIONS, NO UNIONS. BIG BUSINESS, SMALL BUSINESS, GOVERNMENT. AGAIN, YOU SEEM TO BE SAYING WE'RE AT A TURNING POINT HERE. THE SEARCH FOR CONSENSUS, THAT WE MUST FIND CONSENSUS. AND IS IT A SOURCE OF FRUSTRATION TO YOU THAT OVER THE NINE YEARS YOU'VE BEEN PRIME MINISTER WE HAVEN'T TURNED THAT CORNER. DO YOU THINK WE CAN TURN IT AND IS THERE, DO YOU EVER FEEL THAT PERHAPS THE TIMES HAVE CHANGED AND YOU'RE NOT THE MAN ANYMORE.



THIS is a question that the electorate can ask itself.

NO, JUST SERIOUS

(Laughter)

Yes I would like to see, I would like to see a man come forward and say here's the solution. YOU know societies used to be more or less vertically structured...

UHMM.

..Where the hierarchies and orders would go out and things would happen. Now, to quote Lamontagne and to quote a lot of authors, it's horizontally structured and there's this group, the unions, and there's that group, management and there's the French and the

English and there's the east and the west and the abortionists and the anti-abortionists and the pro-marijuana and the anti-marijuana and you know, the agriculturists and the fisheries. YOU know the society is just built in a whole lot of opposing structures. And if you can tell me a man or a party which will suddenly tie them together any faster than we're doing, you ought to step aside and not tomorrow, tonight. Do you know this is the whole business of politics. We're searching to put an end to this conflict. The father who is in conflict with the son, you know the conflict of generations; they're looking for solutions to that. It's at every level of society. It's in business I repeat with the unions. It's within the family. It's within the same neighbourhood. We're now a much more complex complicated society with our values much more differentiated for geographic ethnic religious philosophical reasons and so on. And it's much much harder to create the national will we were talking about earlier. But it's also much harder to pass legislation or adopt policies which will please everybody. And this is the challenge of democratic government.

SIR IF I COULD CLOSE OUT WITH A, WITH A PERSONAL QUESTION. KEN WAS TALKING ABOUT THE MAN FOR THE TIMES, YOU JUST ONCE SAID THAT THE ONLY TIME, ONLY REASON YOU WOULD LEAVE FOR FAMILY REASONS. AND THERE'S A LOT OF INTEREST IN MRS. TRUDEAU. AND I'M JUST WONDERING IF YOU THINK THAT HER APPARENT SEARCH FOR A DIFFERENT LIFESTYLE AS WE UNDERSTAND IT NOW, DOES THAT CONSTITUTE A FAMILY REASON?

If it were to cause a break-up of the family, or to put it conversely, if I felt that by getting out of politics I could suddenly make my family much happier, I think I'd be considering it very seriously.

THANK YOU VERY MUCH PRIME MINISTER TRUDEAU.



TRANSCRIPT OF THE PRIME MINISTER'S PRESS CONFERENCE,  
OTTAWA, April 5, 1977

TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER  
MINISTRE A OTTAWA LE 5 AVRIL 1977

CAI  
PM  
P81

THE PRIME MINISTER: I have a couple of  
announcements, Mr. Chairman.

There is a new Commissioner for the R.C.M.P.  
He has been chosen today. He is the present Deputy  
Commissioner, Robert Simmonds. This gentleman will become  
Commissioner effective September 1st, when Commissioner Nadon  
retires. We have chosen the new Commissioner well in advance  
so that he will be able to ease into the job and ensure a  
good succession.

We had appointed, as you know, a Committee of  
Examiners to look at a series of candidates, including some  
from outside the Force, but we finally chose Commissioner  
Simmonds as the best man for the job.

I named four new Senators today. There will be  
two from Ontario, one being Royce Frith, from Perth, the  
other being Peter Bosa from Toronto. There is one  
from Alberta, one many of you know, namely Bud Olson,  
who was formerly Liberal Cabinet Minister for Agriculture  
and one from the Northwest Territories,  
who will be the first Inuit to be a member of the Parliament  
of Canada, whose name is Willy Adams, of Rankin Inlet.

There is a date for by-elections in the six ridings  
which are vacant. You probably heard the announcement an  
hour or so ago. These by-elections will be held on the 24th  
of May. En français, maintenant? Eh bien, d'abord,  
le commissaire de la Gendarmerie Royale pour succéder au  
commissaire Nadon, nous avons décidé de nommer le commissaire  
adjoint Simmonds, un natif de la Saskatchewan, qui remplacera  
le commissaire Nadon le 1er septembre prochain.

Il y avait un comité de sélection qui a examiné  
des candidats de l'extérieur, en même temps que les candidats  
de l'intérieur de la Gendarmerie, et nous avons choisi, je  
pense, dans le commissaire Simmonds, le meilleur des candidats.

Quatre sénateurs, aujourd'hui, ont été nommés:  
deux de l'Ontario: un Canadien d'origine italienne, Peter Rosa,  
de Toronto; un Ontarien de Perth, Royce Frith; un sénateur de  
l'Alberta: Bud Olson; et, finalement, le premier Inuit, le  
premier Eskimau à siéger au Parlement canadien sera monsieur  
Willy Adams, de Rankin Inlet.

Quant aux élections partielles dans les six  
comtés qui sont ouverts présentement, nous avons demandé  
l'émission des brefs pour les élections en date du 24 mai  
prochain.

Voilà, monsieur le président, ce que j'avais à dire.

Q. Mr. Prime Minister, we cannot get a final answer from Jack Horner on this matter, so we will try you. Have you offered Mr. Horner a position in your Cabinet, sooner or later, and have you, or has anybody in your Office, had discussions with Mr. Horner about crossing the floor? Further, has the question of a Senate seat been raised at all as a way of enticing Mr. Horner across the floor?

A. The last part of your question really puzzles me the most. If Mr. Horner were to cross the floor, I would hope that it would not be into the Senate, but into the House of Commons.

There is no decision that I know of that Mr. Horner will cross the floor. It is true that I had a meeting with him last night for about forty-five minutes to an hour. I think it is fair to say that we sounded each other out on our politics on a number of subjects. He wanted to know certain things about the Liberal Party, and I wanted to know certain things about Mr. Horner's thinking on some Liberal policies. It was a very pleasant meeting. No decisions were taken by me, and, so far as I know, none were taken by him.

Q. But no request was made by Mr. Horner to be assured of a Senate seat before the next election, in case he decided not to run?

A. Certainly no such request was made of me, and I know of no request of that nature being made to anyone. Such an idea would seem to me to be rather preposterous. If he were to cross the floor, as I say, I would hope that it would be to sit in the House of Commons either with the Liberals, or as an Independent, or something.

Q. Or enter your Cabinet?

A. Perhaps, if he were to agree with a certain number of policies; but that is quite hypothetical. Our discussion was, I suppose, what you would call an information session that each of us had with the other.

I had heard all the rumours, but yesterday was the first time I met with Mr. Horner, apart from socially, at Press Gallery dinners, and baseball games, and that sort of thing. I found him a very interesting man, and a very

able politician. As to any possible conversion on his part, I certainly was not pressing him but I told him that I had gone into the Liberal Party some twelve or thirteen years ago, and that it had not done me any harm.

Q Monsieur le Premier ministre, vous avez dit hier en chambre qu'il y aura des changements dans le Livre blanc du Québec, sur la langue, avant qu'il ne devienne loi.

Est-ce que vous pourriez préciser la nature et l'ampleur de ces changements?

R Pour ce qui est de l'ampleur, cette ampleur serait assez large, si j'avais mon choix.

Il y a une conception de la société, dans le Livre blanc, que je ne partage absolument pas.

Maintenant, je ne m'illusionne pas; le Parti péquiste, qui a publié le Livre blanc, est un parti qui croit à la séparation, qui croit en un Québec indépendant, et qui, visiblement, dans son Livre blanc, a une conception de la société québécoise qui a du bon - je l'ai dit à la Chambre hier - en ce sens qu'il veut faire de la société québécoise une société où la langue française a une très grande place.

Mais ceci concédé au but du Livre blanc, je trouve qu'on s'y prend d'une façon non seulement étriquée, mais, je le répète, rétrograde.

Je pense que pour faire valoir la langue française, la primauté de la langue française, ce n'est pas nécessaire d'enlever des droits, quelquefois centenaires, à une minorité. Et, au moment précis où la société canadienne commence à accepter le bilinguisme, - d'abord, au niveau fédéral, c'est un fait acquis depuis déjà une décennie, mais même à certaines provinces, et au niveau des individus, c'est un fait acquis qu'on commence à comprendre l'importance, pour le Canada, d'être un pays bilingue.

Je trouve ça extrêmement malheureux que le Québec aille dans une direction rétrograde.

Alors, pour ce qui est de l'ampleur, encore une fois, avant que je sois satisfait d'un tel Livre blanc, il faudrait enlever tout le négatif, enfin, tout ce qui est destiné à réduire les droits de la minorité anglophone.

Pour ce qui est du côté positif, encore une fois, je le répète: notre gouvernement, depuis assez longtemps, et plusieurs de nos ministres: d'abord, Gérard Pelletier et moi-même et plusieurs autres, nous avons donné notre accord à toute politique qui consisterait à valoriser, à illustrer la langue française dans la province de Québec.

Maintenant, vous me demandez aussi quels changements précis?

Eh bien, là, encore une fois, on est en face de deux conceptions différentes de la société: dans l'Etat canadien, les droits linguistiques de la minorité francophone sont reconnus au niveau fédéral, et, de plus en plus, dans quelques provinces; dans un Québec indépendant, de toute évidence, la langue anglaise n'aurait plus les droits qu'elle a eus jusqu'à présent. Alors, on essaie de marcher plutôt en arrière qu'en avant.

Ce que je regrette dans tout ça, c'est une conception un peu étriquée des libertés publiques: le droit, pour les parents, de choisir l'école pour leurs enfants dans la langue officielle de leur choix; des restrictions sur l'affichage, par exemple, qui vont, à mon avis, singulièrement contre la liberté d'expression; des discriminations entre les enfants de la même famille, suivant que la famille est venue avant ou après telle date, au Québec.

Alors, tout ça, ça me paraît des changements individuels qui pourraient être apportés à ce Livre blanc, qui n'est qu'un Livre blanc, avant que ça devienne loi.

Mais, je le regrette. Même là, si la conception est toujours vers une société unilingue française, je trouve que c'est un pas en arrière, et je trouve que les Québécois en général, et peut-être même les intellectuels en particulier, vont être assez étonnés de cette affirmation, non pas d'un but d'une société québécoise indépendante. Ca, on peut être indépendantiste ou non. Mais, de penser qu'un Québec indépendant doit réduire les droits des minorités plutôt que d'augmenter et valoriser la langue française, je trouve ça extrêmement regrettable.

Q Une question supplémentaire: cette affaire soulève la question plus grande du recours au désaveu.

Dans votre esprit, dans quelle circonstance devrait s'appliquer la procédure de désaveu?

R C'est une question purement hypothétique.

Il s'agirait de désavouer une loi et non pas un Livre blanc.

Alors, tant que la loi n'est pas rédigée, la loi qui suivra ce Livre blanc, je pense que c'est absolument impossible de spéculer soit sur le désaveu, soit sur le recours aux tribunaux pour juger de caractère *ultra vires* etc.

Je ne veux pas esquiver la question.

Je trouve que le combat est politique, beaucoup plus que juridique ou constitutionnel.

Je pense qu'il s'agit de deux conceptions de la société québécoise, qui sont diamétralement opposées: une conception, encore une fois, qui nous retourne en arrière, et qui est contre la liberté de parole, liberté d'expression; et l'autre qui est généreuse vis-à-vis ses minorités, comme je pense que le Canada, certainement le gouvernement fédéral



actuellement est généreux vis-à-vis ses minorités.

Et, je l'avais prévu à quelques reprises, dans un discours à Verdun, notamment: je craignais, justement, qu'un Québec indépendantiste ne cherche pas seulement l'indépendance mais cherche également, dans un état indépendant, d'avoir une société plutôt monolithique, où une seule langue domine.

Et, je le répète: moi, j'ai toujours pensé que la richesse des civilisations et des sociétés était dans le pluralisme. Et pour autant que ce Livre blanc tend à réduire la place de la minorité anglophone, notamment, je pense que c'est un pas en arrière, un pas rétrograde.

Q. This is a variation of the previous question which was just asked in French.

The language White Paper has strengthened the fears of those people who see the Quebec Government moving bit by bit towards independence in such a way that Quebecers will eventually be confronted, not with a referendum, but with a fait accompli. These people say that the federal government had better act quickly, specifically to disallow the language legislation. If this legislation turned out to be unconstitutional, would you agree with that interpretation of events, and that course of action?

A. I repeat, that such a course of action could not be contemplated until the White Paper became law.

I was expressing earlier the hope that public opinion in Quebec, from both the French speaking and the English speaking sides, and from the mass of the people and from the intelligentsia, will force a revision of the decisions not only with regard to certain aspects of detail, such as discrimination with regard to signs, discrimination with regard to schools, and so on, but with regard to the conception of society which it promotes.

No one should be surprised that the Parti Québécois government, in spite of its election attitude, is saying, "We want an independent Quebec." However, I would think that even certain people who believe in independence will be shocked that in an independent Quebec there will be no room for the English speaking minority, or, more precisely, that the historic rights of the English speaking minority that has been there for 200 years, will be withdrawn or restricted.

This is much more serious than just wanting independence, which, in my view, is bad enough. This is going much further and saying, "In our independent society we will no longer be pluralists, we will no longer believe in bilingualism, we will no longer have a mosaic, as there is in the rest of Canada, and we no longer think our independent Quebec will be enriched by the presence of the other language groups."

This is not only very serious, but very revealing. It shows the Parti Quebecois in its true colours, which are those of an ethnic-centred society. I think many of us have predicted this would be the direction in which it would be going.

Q. Does the federal government regard itself as the protector of minority rights in Quebec, and when would be the time to exercise that function?

A. Well, on a political basis -- and that is where opinions have to be changed, and ideas fought, the time is now. I would hope that my previous answers would be seen as forming a part of that statement. In my view there are two conceptions of society here that will have to lead us to some political choices. I say then that I would hope that some of those who might have considered that independence was a good thing will be shocked that the kind of independence that the Parti Quebecois is promoting is rather going back to the dark ages. On the political plane, therefore, we are fighting all the time.

I hope the fight will be even more acute in the Province of Quebec, where, after all, the Parti Quebecois government has to meet with its opposition every day. This is obvious. Already the Liberal leader in the House, and others, have been attacking this. Mr. John Caccia and others have been attacking it, and public opinion has been attacking it. It has been attacked in the editorials of Mr. Claude Ryan, it is beginning to be attacked in the editorials of others. On a political plane, therefore, there is no time to be lost. On a legal basis, obviously, we cannot consider disallowance, or consider reference to the courts until the law itself takes shape. Meanwhile I would hope that the political battle will have the result that the Quebec government will recoil in horror from the philosophy that, it appears, will be the basis of its law. Perhaps that is just a vain hope, but still, you never know what an alerted public opinion can do.

I would merely add, as I did in French a moment ago, that this does not deny that the Quebec government is perfectly justified in trying to promote and protect the

French language, and this has been the position our government, federally, has always taken. That is to say, that of course the language of work, the main language, in the Province of Quebec, should be French, just as it is English in Ontario or in Alberta; but the conception that in order to promote the French language you have to take away historic rights is one that, of course, we reject absolutely, and will fight.

Q. Mr. Prime Minister, you have said in the past that you would consider leaving politics if your family situation required it. It has been reported that a separation agreement has been discussed between you and your wife. Can you confirm such an agreement has been discussed, and do you have any comments on it?

A. No. I really do not have any comments on it. However, if I decide to leave politics I will let you know.

Q. May I ask a supplementary question? Did you know that your wife was using her Air Canada pass for personal trips, and if this is the case, do you consider it to be proper conduct? Have you asked her to give the pass back to Air Canada? Do you know how often she has used the pass, and if she is going to reimburse Air Canada for such trips?

A. No, I do not know, and I would not bother checking. Air Canada is a Crown corporation. As such it is at arm's length from the government and is certainly at arm's length from me. I assume it will apply its rules and regulations in the case of my wife as it would towards any other person who may be the holder of a pass, or, on the other hand, who does not have a pass. I am not going to do their accounting for them.

Q. Mr. Trudeau, the editor, or at least the picture editor, of People Magazine, has suggested that one of the reasons that Margaret Trudeau might be valuable to them is that she can use her position in order to gain access to celebrities for the purpose of taking photographs in a way that would not be available to the ordinary journalist. In this way she seems to be in fact taking advantage of her official position.

A. Are you saying my wife is not a good photographer?

Q. No, sir, I did not say that.

A. What does she need particular access for?

Q. I am only quoting the pictorial editor of People Magazine, who says she is using that advantage. If that is the case, do you think it is proper?

A. I do not think a gentleman would comment on that situation, and I do not know if a gentleman would ask such a question. You have my answer.

Q. I think it is in the public interest to know when we are dealing with Margaret Trudeau as a public person, or when we are dealing with her as your wife.

A. I am not preventing you from writing what you want to write. I am just saying that I am not interested in commenting on it.

Q. I am afraid that my question offers more of the same, I am afraid, Mr. Prime Minister. It seems to me, in fairness, that the marital status of a Canadian Prime Minister is a legitimate subject for journalistic scrutiny, and I think Canadians would like to know whether you intend to be a married man, or whether you intend to be a Prime Minister who is separated from his wife.

A. Well, once again, I cannot quarrel with the concerns you might have on behalf of the public; but I think my marital status is my own business and the business of my wife. Thank you very much.

Q. Mr. Prime Minister, I am afraid my question will still be on the same subject.

A. I have a lot of time.

Q. In your recent newsmagazine TV interview, whether deliberately or otherwise, you fed a certain amount of speculation by saying that if it were necessary in order to make your family happier, you would in fact very seriously consider leaving your political office. I think, in view of the fact that you raised that subject, or that you gave that answer, it would be important to have an explanation.

A. I did not raise it. I was asked a question that I do not have a transcript of here, but I must confess that I was thinking of my children. At some point in my job I will want to spend more time with my kids.

Q. My question, specifically, sir, is, are you in fact at this time seriously considering leaving public office?



A. No.

Q. Back on the same subject I'm afraid, Mr. Prime Minister. Are the people employed at 24 Sussex Drive to look after your children paid for by the taxpayer? Are they there because of Mrs. Trudeau's public duties, and if she is no longer to have public duties, do you think it is proper for those people to be paid for by the taxpayer?

A. Well, you can get the answer from the material we have tabled in the House in reply to many of Mr. Cossitt's questions. He has been asking every other month how many people we have at Sussex Drive. In fact, we have had about the same number ever since the time I was a bachelor, so there is no heavier load on the taxpayer as a result of the fact that I now have children, or as a result of the fact that my wife is a photographer.

Q. I am asking in particular about the nannies, though, sir.

A. Don't call them nannies. Call them maids. I have had maids since I have been Prime Minister. They are not nannies. They haven't been hired in England.

Q. Mr. Prime Minister, this is not on the same subject. To get back to the Quebec language charter, do you see the tabling of that charter in any way as an affront, or a call for action, or some sort of challenge, to the federal government, and in considering, even hypothetically, the question of disallowance, do you believe that this might be exactly what the Quebec government would seek to demonstrate what they feel is the inflexibility of the federal system and the lack of scope for the French language in Canada?

A. It could be. You know that the Parti Quebecois have said already that they are going to be fighting a guerilla war. There will therefore be lots of provocative actions, and if we lose our cool and try to fight a guerilla war by opening a couple of fronts we will be worn out. I am not going to fall for that. Let them bring in their law. We will then tell them whether we are going to disallow it. We have twelve months in which to do it, you know. We would not do it right away. We might not ever disallow it.

In any case, why should I tell them through you what we are going to do on this hypothetical bill when it comes in? Let them live in fear and trembling of my power.

Q. To follow that up, are you considering disallowance as a serious option?

A. I am not considering disallowance of a hypothetical situation. When I see the law, then I will consider it. The same answer would apply to reservation, in case anyone wants to ask it.

Q. Mr. Prime Minister, I hope you do not mind if I ask a question consisting of two parts, each of which is unrelated to the other.

The first is a simple matter. Since we have snow again in Ottawa, I am wondering where you are going for your holidays, and who will be accompanying you?

The second part of the question is as follows. There have been reports about discussions between yourself, United States President Carter, and the Prime Minister of Australia, Mr. Fraser, about some kind of deal between the uranium producers of the world on nuclear safeguards. I would like to know what Canada would have to gain from such an arrangement, and if such an arrangement exists, what have you to say about the fears already expressed that this will be looked upon as a uranium nation cartel?

A. Your questions are indeed somewhat unrelated.

The answer to the first one is that I am going to Berkeley University in San Francisco to carry out an official engagement to speak there, in the first place, and after that I will look at the weather. If there is good skiing somewhere, I hope to do this for a week, depending, of course, on how the adjournment motion goes here. If the skiing is not good, I may come back, or I may go down to Big Sur, or to -- what is that other place? -- Disneyland, and spend a few days there. The matter is still undecided, but I will be skiing if I can find somewhere where the skiing is good.

With regard to the second question, I should point out that this is an initiative that was taken by our Minister of Energy, Mr. Gillespie, when he went to Australia some months ago, and agreed with Prime Minister Fraser that we should hopefully cooperate with the London nuclear suppliers in order to increase the safeguards which exist now. Canada has been a leader in increasing the strength of those safeguards with

the object of preventing nuclear proliferation. Mr. Gillespie was successful in his approach, and as a result, Mr. Fraser wrote to President Carter. When I visited President Carter we discussed the subject again on the basis of Mr. Gillespie's initiative, and there is at least a general agreement that we should use our capacity as uranium suppliers to increase safeguards regarding its use in the world. The details are not worked out as yet, but the officials are meeting, and are going to have to meet more on it, in order to see exactly how it would operate.

You ask whether this would be a cartel. I think cartels, as they are commonly understood, are economic institutions the purpose of which is the restricting of supplies in order to increase prices. This has nothing to do with that. This is not a cartel in that sense. This is a decision by suppliers of uranium that they would not want to be part and parcel of nuclear proliferation. The idea is to impose a duty on themselves, as we did in Canada, unilaterally, to try and increase nuclear safeguards. Naturally we are happy that other important suppliers such as Australia and the United States are prepared to do the same thing as we are.

Q. With regard to your skiing, do you plan to go skiing alone, or will you be accompanied by anyone else, such as your wife?

A. No, my wife will be staying with the children, to relieve the hard worked maids who have to spend their time with the children at the taxpayers' expense.

I will be going skiing at my own expense.

Q. Going further on this uranium matter, would you seek to get the Americans and the Australians to agree to the Canadian safeguards, which are supposed to be more stringent, or would you compromise the Canadian safeguards in order to get agreement among the three countries.

A. The general idea is that they agree to our more stringent safeguards. When I discussed the matter with President Carter there was no indication on his part that our safeguards were too stringent, or that he would like us to water them down. In the administrative application of them, there may be some variations of which I know nothing at the moment, but that is why, as I said, officials will be looking at them. We have cooked up the best safeguards we could think of, but perhaps the Australians or the Americans will have even better ideas, either to make them stronger or modify them in some way. We are open to suggestions along those lines, but there is no intention on our part to water them down.

Q                   Au risque de recouper sur des questions différentes, monsieur Trudeau, vous disiez hier aux Communes que 99 pour 100 de cette charte du Québec serait conforme à la Constitution.

C'est évident que vous avez mis le doigt sur 1 pour 100. Quel est ce 1 pour 100?

R                   Eh bien, je trouve peut-être malheureux de partir la discussion dans cette sorte de pourcentage. Il y a quoi? Il y a 133 articles dans la Constitution canadienne, dans l'Acte de l'Amérique du Nord Britannique. Peut-être qu'il n'y a que deux ou trois articles, peut-être l'article 133, et peut-être l'article 93 qui serait mis en doute par le Livre blanc. Ca ferait un peu moins de 1 pour 100, en tout cas, en tant que nombre d'articles.

Mais, ce que je voulais illustrer dans ma réponse, au fond, c'est que la question constitutionnelle me préoccupe moins que la question des deux conceptions sociales qui s'affrontent.

Et je disais qu'il se peut fort bien qu'il n'y ait rien d'*ultra vires*, ou très peu d'articles *ultra vires*, dans le Livre blanc.

Il reste que nous devrions nous y opposer vigoureusement, même s'il n'y a rien d'anticonstitutionnel. Et j'expliquais pourquoi: une société fermée contre une société ouverte.

Maintenant, j'ai mentionné ces deux articles-là parce que, évidemment, nos soucis sont surtout dans le domaine scolaire et dans le domaine de la langue d'usage devant les tribunaux.

Mais, je le répète: même là-dessus, on ne peut pas juger avant d'avoir vu le texte même de la loi. Certainement, les intentions nous laissent un peu sceptiques.

Q.                   Mr. Prime Minister, still on the White Paper, do you attribute anything Machiavellian to Premier Levesque's White Paper? Do you think that by means of this White Paper he was hoping to spark -- if I can use the expression -- an Anglophone backlash in English Canada and provide himself with more fuel for his arguments in favour of separation?

A.                   I do not know what his intentions are. I did indicate at a Press Conference several weeks ago that we should not be surprised if there were to be some degree of provocation by the Parti Quebecois government by means of doing things they know the rest of Canada will not like, so that the rest of Canada will finally throw up its hands and say, "This is the way things are going to be, let us separate and have a common market," and so on. That may be a part of Premier Levesque's tactics, but your guess is as good as mine, and if it is, we are not falling for it. I do not think the Canadian people should fall for it, either. We will



fight him on our terrain, not on his. Our terrain is that of an open society, not a closed one, and I am quite sure the people of Quebec will massively support that position.

Q. I return to the subject of Jack Horner. The flexibility of the Liberal Party is renowned, but I am just wondering if it is elastic enough to embrace an individual who has opposed the Official Languages Act, and, more recently, held open the option of using troops in Quebec, both of which positions I think you are opposed to.

Secondly, did you in fact offer him a Cabinet post, or was that discussed?

A. With regard to the first part of your question, we had a fair amount of discussion of his position on the Official Languages Act. As a matter of fact, before I met him, I had a check made of the various statements that Mr. Horner has made, both at the Tory leadership convention and since, on the language position, and while I cannot, of course, speak for him, I am satisfied that his position now is that he generally approves of the Official Languages Act. He thinks it has not been explained well, that it could be improved in its applications, and that he supports the trends that Mr. Spicer, among others, has recommended. This, of course, is also our position. Even in the Speech from the Throne we indicated that some aspects of our policy had perhaps not been as successful as others, and that we would be channelling more money towards youth.

With regard to Mr. Horner's position on using troops in Quebec, we did not discuss this, and I am afraid I do not know what he has said on that subject. In the hypothetical situation in which he would be a member of our Party, he obviously would be in agreement with our policy, which is not to use troops unless there is some illegality or violence involved, as there was in 1970, and I believe Mr. Horner probably supported us then.

Q. Did you offer, or did you discuss the possibility of, a Cabinet post for Mr. Horner?.

A. Not really, but obviously he wants to know what room there would be for him in the Liberal Party if he joined it. I said we would certainly have a chair for him, but beyond that we should have further discussions.

Q. A chair for him in the Cabinet?

A. Well, let us say one in the House, anyhow, on our side of it.

Q. It wasn't much of an offer.

A. Well, he wasn't offering much, either! If he had said, "Look, I want to cross the floor, I want to join the Liberals, I believe in the Liberals, and what can you do for me?", I would have perhaps been a bit more forthcoming; but I am not blaming him for not doing that. Before I entered the Liberal Party I had this kind of talk, too, with a lot of people, and I barely got a chair at the time, even on the back benches.

Q. Mr. Prime Minister, in your speech at Berkeley, do you intend again to take up this question of Canadian unity, and so on, as you did in Washington?

A. Not really, no. It will not be one of my themes. You can come anyhow. It might be interesting.

Q. Mr. Prime Minister, do you still consider the six by-elections you have called, or specifically, the five in Quebec, as a mini-referendum on independence? Do you plan, at all, to use the measures announced in the budget as a basis for any campaign in Quebec?

A. I have never considered these by-elections as a mini-referendum, nor have I ever said I did. I was asked a question about it before, and I said that it was possible that the people would want to see in it a mini-referendum, particularly at that time, when I was pretty low in the polls. I said, "Obviously if we don't do well in those by-elections it might be interpreted as a mini-referendum," but for us it is a by-election. We are not fighting the Parti Quebecois, we are fighting the Tories, and perhaps the NDP, and certainly the Creditistes in one riding. Of course, our various conceptions of Canada and the economy will be exposed and presented to the electorate.

I do not think the budget will play a very large part insofar as any of its precise measures are concerned. I would think that the whole question of inflation and unemployment will be discussed, and, to the extent that we consider our budget to be a proper response to those problems, it will be an issue.

Q               Monsieur Trudeau, la semaine dernière, dans le rapport du commissaire aux langues officielles, on vous suggérerait de reconsidérer la proposition de créer un ministère de légalité linguistique, et peut-être de prendre la responsabilité directe de ce ministère.

Est-ce que vous allez repenser à ceci? Est-ce que vous seriez tenté de prendre vous-même autorité sur un tel ministère?

R               Non, je ne pense pas. Je n'en vois vraiment pas tellement les avantages.

Je pense qu'il s'agit plutôt pour nous - et c'était aussi un des points de vue mis de l'avant par monsieur Spicer: il s'agit plutôt pour nous de bien expliquer la loi, de la corriger dans ses lacunes, et de l'appliquer au mieux de notre connaissance.

Si je pensais qu'un ministère spécial ferait l'affaire, mon Dieu, je ne suis pas fermé à l'idée; mais je n'en suis pas convaincu pour le moment.

Bien sûr, tous les sujets importants ont leur apôtre qui demande qu'il y ait un ministère spécial: pour la femme, pour les jeunes, pour les groupes ethniques, etc. Mais, on ne peut pas élargir son conseil des ministres indéfiniment, et c'est pourquoi je n'envisage pas ça pour le moment.

Peut-être lors d'une réorganisation fondamentale, je pourrai y resonger.

Q.               Mr. Prime Minister, now that you have set the date for the by-elections, do you propose to campaign personally in those by-election campaigns yourself? If so, would you use that occasion to address yourself to the deficiencies or the inequities in the Quebec language policy?

A.               I haven't made a decision on whether I would campaign in those various ridings. There is a commitment which has been made to speak to members of the Chambers of Commerce in Rouyn-Noranda later this month. I am not sure what will become of that, or whether they will still want me to go now that the by-elections have been called. If they do, I certainly will go. Beyond that I have not made any plans to visit any of the ridings. I still might do it. It would depend, perhaps, on how the battle is joined, and what the issues are.

On the question of whether the Quebec language policy would be one of the issues, my inclination would be to say that it will not. It is not a federal issue. Obviously we will have to express our point of view on it, but I wouldn't think it would be central to it, because once again that might turn it into a mini-referendum, and we would be fighting the Parti Quebecois rather than the Tories or the other parties.

I would imagine that they would regard it in the same way. What will probably happen is that all the federal parties will more or less take a common stand on the White Paper, and therefore I do not think it will be an issue.

Q. Mr. Prime Minister, a diplomatic cable, written by Ambassador Enders, and released today in a sub-committee of the House of Representatives in the United States, revealed that the Arctic Gas consortium has made an offer on native claims along the Mackenzie Valley. Can you fill us in on this? Is this something the Canadian government has been involved in? Is it something on which the Canadian government has been consulting with the United States Embassy, or any agency of the United States government, or are you unaware of this?

A. I am unaware of this. I would be very surprised if we were in any way involved. I really could not inform you on that matter.

Q. Well, if such an initiative were taken by such a company after it had talked to the United States Ambassador to this country, would it encroach on a jurisdiction that is exclusively a matter for the Government of Canada?

A. Well, whatever happened, the Government of Canada, of course, would have to be involved at some stage, because under treaties 9 and 11, I think it is, we have offered the Indians the choice of certain territories as part of their treaty rights. We have not been successful thus far in getting the Indians to choose their territories. I would be very surprised if Canadian Arctic Gas were to succeed where we haven't, but if they should prove to be successful, God bless them. If they can make an agreement with the Indians, we will come along and say, "Well, at last we are able to discharge the treaty," provided it is not done at someone else's expense. In other words, we don't think the Canadian Arctic Gas people, or the Americans, for that matter, should be negotiating something with the Indians and sort of say, "Well, everything is agreed, you just have to pay the shot."

However, all this is rather hypothetical, as far as I am concerned, because I have not heard of it at all.

Q. On the nuclear question, once again, and specifically with regard to the negotiations with the European Common Market, I would like to ask you whether Canada is prepared to push its position in relation to stricter safeguards, insisting that the European countries accept the safeguards, even to the point of possibly endangering the contractual association which we now have with them? Is Canada going to push this to the



ultimate degree and absolutely refuse to make any concessions?

A. Well, discussions are going on, and I do not necessarily envisage failure. Certainly we are going to push them as far as we can. To us, the danger of nuclear proliferation is more important than economic advantage. If it were not, we would not just be worried about the contractual link with the European community, we would be worried about losing contracts with all kinds of buyers everywhere. We have just said, "We're not going to try and make a buck if there's a danger that our uranium or our technology are going to be used to explode atomic devices" I think that's your answer. It's a matter of principle for us and not of economic advantage. You will recall that we have, in the past, refused to sell uranium. At present there is a great number of contracts, worth, I think, something in the order of \$200 million, which are being stalled because the buyers don't want to subscribe to our safeguards. We are just saying, "Well, that's tough luck. We'll keep our uranium."

Q Monsieur Trudeau, il y a deux semaines, le gouvernement du Québec a dévoilé une étude tendant à démontrer que le gouvernement fédéral avait retiré du Québec 4.3 milliards, sur les comptes nationaux.

Il y a eu une réponse partielle faite par Messieurs Lalonde et Chrétien, disant qu'ils ne s'engageraient pas dans une bataille comptable avec le Québec.

Est-il exact que le ministère des Finances est à préparer une étude qui sera dévoilée dans deux ou trois mois, qui se voudrait une réponse aux comptes nationaux dévoilés par le ministre des Finances, monsieur Parizeau?

R Eh bien, nous ne croyons pas beaucoup à l'idée de fédéralisme rentable. Nous ne sommes pas prêts à nous engager dans une bataille des comptes nationaux.

Je pense que ceux qui ont été publiés par le gouvernement du Québec ont déjà été amplement démolis par les oppositions québécoises, et par une certaine opinion publique. Pour le moment, ça nous suffit.

Pour ce qui est des études intérieures, eh bien, mon Dieu, ça ne m'étonnerait pas qu'il s'en fasse. Afin de pouvoir réfuter les chiffres des autres, il faut parfois en avoir à soi. Mais je n'envisage pas, pour le moment, que nous entrions dans ce combat, et que nous publions, de notre côté, des chiffres qu'ensuite d'autres attaqueraient, etc.

C'est un jeu de singes auquel nous ne croyons pas beaucoup.

Mon Dieu, si l'opinion québécoise examine les chiffres du gouvernement québécois, ils verront qu'il y a beaucoup de jeu de passe-passe là-dedans, et que ce n'est passérieux.



TRANSCRIPT OF THE PRIME MINISTER'S PRESS CONFERENCE  
IN OTTAWA, APRIL 21, 1977

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TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER  
MINISTRE A OTTAWA, LE 21 AVRIL 1977

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Q                   Monsieur Trudeau, hier, à Montréal,  
votre ministre des Affaires urbaines, monsieur Ouellet, a  
déclaré que lors de la présentation du référendum québécois  
sur l'indépendance, Radio-Canada, ses services d'information  
devraient se montrer favorables à la cause fédéraliste.

Est-ce que c'est aussi la façon dont vous  
voyez le travail des services d'information de Radio-Canada?

R                   Je n'ai pas vu la déclaration de monsieur  
Ouellet.

Sujet à la vérification, il me semble que  
c'est bien connu que Radio-Canada ne reçoit pas de directives  
du gouvernement, surtout du ministre des Affaires urbaines.  
Alors, c'est probablement une opinion qu'il a exprimée,  
monsieur Ouellet.

Q                   Et que vous ne partagez pas nécessairement?

R                   Bien, je devrai voir ce qu'il a dit pour  
voir si je partage son opinion.

Q:                   Mr. Prime Minister, following the representations  
made to you at the Toronto Liberal Conference, and your statement  
in the West about major changes in national institutions, have  
you been able to figure out any further how this might be done,  
either through a strictly Parliamentary process, or through  
the system of a constituent assembly, or by any other means?

A:                   I really have no statement or announcement  
to make on that today. I think you can surmise that in the  
months to come we will be addressing ourselves to this question.

Q:                   Are you sympathetic, specifically to the idea of  
a constituent assembly?

A:                   I mentioned one opinion on that at a previous  
Press Conference. I thought it was an interesting idea. We  
are looking at it. It is not one I subscribe to without any  
reservation.

Q: Mr. Prime Minister, I would like to talk about Senate reform. You issued a press release nine years ago in which you said plans for Senate reform were under active study, but that it would be preferable for them to be implemented on the basis of discussion with the provinces, "but he --" meaning you "-- did not exclude the possibility that if this took too long, some aspects of reform might have to be proceeded with otherwise." I wonder if you could give us a progress report on Senate reform.

A: If you will read your own newspapers, published around that time, you will see what happened. Following that statement at that Press Conference nine years ago--which would bring us back to what? 1968? -- we had a series of federal-provincial conferences at which the federal government presented to the provinces its proposals for Senate reform in some considerable detail. It is all printed. There is a full book of it. We discussed it for two or three years until 1971, at which time the provinces said, "Well, all this is very interesting. We are glad to see that through the Senate you are prepared to give more power to the provinces, and so on, but we really want to set aside all these particular questions and proceed with patriation of the Constitution and an amendment formula."

At that point we set aside these various proposals for a new division of powers, new institutions in the Senate and the Supreme Court and so on, and went to Victoria with a formula for amendment and for patriation. The rest is history. That is the progress to date.

Q: You did say you might proceed otherwise, even if the provinces did not agree. It seemed to me that one area you could proceed in is that of the appointment of Opposition Senators. This is something your own Senate leader has advocated. However, eight of your last appointments have been Liberals. I wonder when you intend to appoint some Opposition Senators.

A: You will recall that I made an offer to Mr. Stanfield when he was Leader of the Opposition in 1969 or 1970, which was then confirmed in writing, and which was also made verbally to his House Leader in the Senate, Senator Flynn, followed by confirmation in writing by our then Leader in the Senate. This offer was to assure the Tories that when any of their Senators retired, except if he was forced to retire by an act of God or an act of Parliament, I would be happy to replace that Senator with a Tory Senator. I have done that in some circumstances: that is how Senator Smith was named to the Senate.



You might ask the Tories why they did not take up that offer and at least ensure that their own Senators when they die are all replaced by Tories, which is an offer I have made to them. When they decide to retire voluntarily, I will replace them.

Q: That is as far as you are prepared to go right now.

A: That is all I can think of, right now. Look. We made very detailed propositions for reform. I suggest you do your homework and look them up.

Q: Prime Minister, in Allan, Saskatchewan, explaining your policy of bilingualism, and as a consequence of bilingualism, you said, "A small number of federal civil servants will have to know French."

Would you explain, sir, why 65,000 civil service positions have been classified as bilingual? Did you not intend for that to happen? Did you lose control of the bureaucracy? Or do you intend to cut back the number?

A: No. The point I was making, subject to looking at the transcript, is that outside Ottawa, and in the west in particular, I think the percentage of the federal civil servants who will be unilingual in English will be 98%, and 2% will have to be bilingual. That seems to me a small proportion. Obviously, in the federal capital, where you are serving directly citizens of both linguistic communities, and in Quebec, where you are serving a population which is 80% Francophone, the proportions will be very much different.

I am sorry if the context does not indicate this, but it is obviously what I was talking about. It certainly would not be true in Quebec. I do not know the absolute numbers you are talking about, but a very high percentage of civil servants in Quebec would have to be either Francophone or bilingual.

Q: You are going to a meeting tomorrow between yourself, labour and business. Mr. Prime Minister, is there any primary focus that you are bringing to that meeting, and are you expecting to come out of it with something? Or is it merely a discussion of decontrol, and an extension of previous topics?

A: The general topic, I suppose, could be decontrol and the post-control society or economy in Canada. This is the first formal tripartite meeting which has taken place. Just before Easter we had a small, informal, and shall we say, non-representative meeting of a few labour leaders and a few members of the business community, at which it looked as though we could make progress in terms of voluntary restraint in a decontrol period. This is

one of the hypotheses we are attempting to test tomorrow; that is, whether it will be possible to reach any kind of agreement, from some very important decision-makers in the economy, that we could safely get out of controls at some point, because they will be replaced by, shall we say, responsible behaviour -- responsible in terms of ensuring that we do not return to inflationary pressures. This will certainly be one of the main topics -- in fact, it will be the main topic -- of tomorrow's discussion.

I believe Don Macdonald indicated in his budget that there would be a green paper, in which we would be discussing this subject in much greater detail. This green paper, I think, is scheduled for publication less than a month from now. Tomorrow's meeting will be essentially to try out some drafts, but I understand the participants have indicated that they did not want the meeting to be too structured at this stage. They still wanted to feel their way through it. Of course, as Chairman of the meeting, I will respect that wish, if such is expressed tomorrow.

Q: Professor Louis Sabourin, of the University of Ottawa, in a recent magazine article, said that the book remains wide open as far as Quebec's development of international relations is concerned. This was written after the victory of the Parti Quebecois. Professor Sabourin said that the history of Quebec's international relations is richer in future prospects than in past events and that this is certainly to the advantage of all parties concerned. I was wondering if you would agree that this book does remain wide open from the federal point of view, despite the fact that there is now a separatist government in Quebec?

A: Of course, I do not know to what particular passage of Professor Sabourin's book you are referring. I have met the man, and know his thoughts on some of these issues, and I guess, with that reservation, I could answer your question by saying, or repeating what I said before, namely, that vis-à-vis any province or any provincial government in Canada, which wants to reopen areas of jurisdiction, rewrite the Constitution, and so on, the book is open. Quoting myself, we could start writing a Constitution from scratch. That, therefore, remains our position in the area of international relations. Different countries, like Germany or the United States, have different provisions from ours, and they are federal systems.

What is not open is discussion with a province, or a government, which is trying to lead that province out of Canada into independence. There is no formula open for discussing any stepping stones in that direction.

Q: In the same article, Professor Sabourin said that there is no doubt that Levesque will attempt to step up those activities, that is, the activities on the international level. What steps is the federal government taking to ensure that this type of activity is not carried on in such a way as to endanger the federal position in international affairs?

A: We will continue to be vigilant and to ensure that no country in the world makes the mistake of presuming that Quebec is, or will be, independent. If any country wants to deal with Quebec as though it were independent, or as though it were due to become independent, it will have a very tough time maintaining friendly relations with us. We are dealing all the time with Quebec in the area of international relations.

This very week a Polish minister has come to negotiate some very important work to be done in Canada, in the shipbuilding area. This was done by a federal ambassador, named by the federal government, and paid by the taxpayers of Canada, including those of Quebec. This is an example of a federal ambassador bringing work and jobs to Quebec. If Quebec wants to play the game properly, it will be fine; but if Quebec doesn't want our Canadian ambassadors or trade commissioners abroad to act as though they were representing all of Canada, it seems to me that this would be to the disadvantage of Quebec, and I think they will understand that. Particularly the people of Quebec will understand it, when they see the jobs created as a result of sales, and so on.

Q: Mr. Prime Minister, is there, in your opinion, an optimum employment figure in Canada? In other words, can we see unemployment reduced to 4%? Is that a reasonable figure?

A: Well, the lowest possible figure is the best one, as far as we are concerned.

Q: Is it possible to produce zero unemployment without creating a totalitarian state?

A: That is a good question. Beveridge answered it by saying that it is not possible to have zero unemployment without having a totalitarian state; therefore you have to have some measure of unemployment.

The figure has changed over the years. It used to be, in Beveridge's time, I think, 3%. The Economic Council of Canada pushed it to five. We have never stated any particular figure. I repeat that we would like to get the lowest figure possible.

Q: I have two supplementaries, Mr. Prime Minister. First, did the participants you mention as asking for an unstructured situation at your meeting tomorrow, also request that it be closed to the press, or was that your decision?

A: I have had no exchange on that subject. I do not know if they requested it. I do know that the previous meetings that we had with them separately -- labour at some times and management at other times -- were closed to the press; but there was a debriefing afterwards, and if the meeting is closed tomorrow I am sure one of our ministers will be very happy to tell you what went on.

Q: And if any significant decisions are taken --

A: There will not be any significant decisions tomorrow.

Q: With regard to your conversation at the last Press Conference, at which time you had just met Mr. Horner, you said that this was something of a voyage of discovery, in that you were getting to know one another. Since that time a number of things have transpired. Can you tell us what else you found out about Mr. Horner, especially on his views with regard to the position of the French language, and some of those other concerns that are bothering, among other people, some of your own backbenchers?

A: Well, in that voyage of discovery to which you refer, I did make some discoveries and I commented on them at the time. I learned from Mr. Horner that he would be prepared to accept the government's policies on various subjects, including that of bilingualism. He entered the Cabinet this morning, and therefore he is bound by the rule of Cabinet solidarity. He will be bound to accept and agree with all the policies of Cabinet, including our policies on linguistic equality.

Q: With respect, he has also said he has not changed his mind on anything, and he voted against the Official Languages Act twice .

A: Well, you will have to ask him if he hasn't changed his mind. I feel that if he is coming into our Cabinet he is accepting our policies. Our policies themselves have been modified, and that may be grounds for Mr. Horner to feel more at ease with them. We indicated in our most recent Speech from the Throne, last October, that we were making certain modifications



to our linguistic policies. I went to some lengths on Monday night, in a well publicized speech, to say that we were shifting the emphasis from official bilingualism in the public service to putting a greater accent on the learning of languages among the younger people. This is what Mr. Spicer has said; this is what Mr. Lloyd Francis has said; this is what many members of our caucus have said. Mr. Horner also has this point of view, which is one that he has expressed, I believe, even before thinking of joining the Liberal ranks.

Q                   Monsieur Trudeau, oublions, pour l'instant, la déclaration la plus récente de monsieur Ouellet sur Radio-Canada, puisque vous ne l'avez pas vue; mais, dans l'état actuel des choses et de ce qui est prévu par la loi, si le Canada devait traverser une période de tension comme la bataille du référendum, par exemple, quel devrait être, selon vous, le rôle de Radio-Canada dans un cas comme celui-là?

R                   Eh bien, je l'ai dit il y a déjà quelques semaines, à une conférence de presse: lorsque les contribuables canadiens paient un demi-milliard par année à une institution fédérale, afin que cette institution poursuive son mandat, qui est celui de maintenir l'unité canadienne, je crois que les contribuables ont intérêt et ont le droit de s'assurer que cette institution effectivement travaille pour l'unité canadienne.

Maintenant, de quelle façon cette institution doit le faire? De quelle façon elle peut le faire? Je pense que c'est la Société Radio-Canada qui est une société de la Couronne, indépendante d'interventions ministérielles directes, - c'est à elle de le voir.

Et si le gouvernement trouve qu'ils dépensent leurs fonds d'une façon, disons, injuste du point de vue des contribuables, le gouvernement interviendra d'une façon ou d'une autre.

Moi, je ne sais pas, encore une fois, ce que Ouellet a dit exactement, mais si on l'a cité à peu près correctement, sa pensée ne me choque pas du tout.

Je ne dis pas que ça serait utile pour Radio-Canada de faire la campagne pour un OUI dans un référendum.

Je crois qu'il y a d'autres manières de faire comprendre aux Canadiens que le Canada est un pays formidable, et de faire comprendre aux Québécois, en particulier, que c'est à leur désavantage de briser ce pays en deux. Et ça, de ce côté-là, je pense que Radio-Canada entend bien son rôle, qui est celui de promouvoir l'unité canadienne.

Ca ne veut pas dire que dans une bataille électorale, ou dans une bataille sur un référendum, ils doivent utiliser telle ou telle technique. C'est à eux de voir.

Q                    Pardon. Est-ce que j'ai bien compris? Vous dites que la solution ne serait pas nécessairement que Radio-Canada fasse campagne pour le OUI en termes de référendum?

Q:                    Since it was at one of these Press Conferences that you first fenced in Jack Horner so that he could not ride back out again, I wonder if you could advise us as to whether anybody in your government, or party, has had conversations with one Claude Wagner about a judgeship, and can you tell us how your conversations are coming with Ed Schreyer?

A:                    Why do you want me to fence all kinds of people in? That's not my style, you know? I'm not God, and I don't hit people with thunder whether they're on the road to Damascus or anywhere else. I believe that the very openness of the party, its respect for individuals, its willingness to take into it people of different leanings, provided they all share the same general goals, is enough. I have no greater powers of conversion than that. I think the grace of God works slowly.

Q:                    I am sure none of us would have any argument with any of those thoughts. However, I would like to know whether you have had conversations with Mr. Wagner, or whether anybody in the party has, about taking a judgeship, and how you are making out in your conversations with Mr. Schreyer.

A:                    Put it this way. Well, what way will I put it? I've seen Mr. Schreyer many times. We've discussed problems of national unity. I would be fooling you if I said I didn't hope, in my heart, that we could convert good premiers like Mr. Schreyer. You ask me how we're making out. Obviously we haven't converted Mr. Schreyer yet.

                      You ask how we are making out with Mr. Wagner. I know that he has seen people of my party. I know that members on both sides of the House meet all the time. I'm not frightened each time they meet that I'm going to lose some members to their side, nor am I hopeful that I will gain members from the other side. I have made no arrangements, make no deals and put no propositions to Mr. Wagner, if that is a direct answer to your question.

Q: Mr. Prime Minister, with your appointment of L. Horner to the Cabinet you have strengthened the right wing of your government; but the left wing has remained pretty depleted since the departures of Bryce Mackasey and Jean Marchand. What I would like to know is whether you are satisfied to have the net effect of this week's development be a lasting move somewhat more towards the right, or whether you have any active plans to recruit similarly prominent people to replenish the left wing of your Cabinet in the near future.

A: As I said in answer to the previous question, the Liberal Party tries to be a party of the centre, and we would be equally happy to recruit from both the left and the right.

In this particular case I am not much concerned with any lack of balance that you might be referring to. This may help a little bit to diminish the suspicion in the minds of many people that I am a flaming radical, a man of the left who wants to abolish the free market system, and so on. You know all that stuff that the Financial Times, or the Post, is it, writes about? This will add balance to a rabidly left wing Cabinet and bring us a little more to the centre.

Q: In my father's house there are many mansions.

A: You are quoting Jesus Christ, but you could quote Mao Tse Tung. "A thousand flowers may bloom".

Q: What was your reaction, Prime Minister, to your trip out West? Do you think you got your message across, or do you think there is going to be more missionary work required?

A: I do not know the answer to that. I hope you will be telling me. I speak to people -- I like to speak to people. I am a bit of a preacher, or a teacher, or a politician -- I suppose they're all the same thing -- and if people get my message, I am happy. If they don't, I go back and give it to them again.

Q: Mr. Prime Minister, do you have any sympathy for your backbenchers, who have defended you and your policies throughout the years, and who now see a man who has attacked you and your policies vaulted right into the Cabinet above them? If so, what do you intend to do to soothe these ruffled feathers?

A: Well, I think the reasons why I took Mr. Horner into the Cabinet have been stated quite explicitly by Mr. Horner himself in the House today, and by myself in answer to questions. He is not necessarily more worthy than other backbenchers who could be in the Cabinet, and who will be there, I hope, one day or another; but he is from Alberta. We have no other elected members

from Alberta, and I feel it to be very important that a national government find room in its ranks, on the treasury benches, for the elected representative of a very important province of Canada. Mr. Horner meets that description. He is a veteran of 19 years' standing. He has always attempted to serve his constituency well. I do not think anyone would quarrel with the sincerity and political adroitness with which he has represented Albertan views. I am happy that he will represent them now in Cabinet on every subject.

I am sure he will find himself in disagreement with some of our policies, as many ministers feel disagreement with one or other aspects of our policies. The important thing is that in our parliamentary system of government -- cabinet government -- every minister must go along with the decision of Cabinet. Mr. Horner indicated to me quite clearly that he intended to play according to these rules, as every one of us does. That is therefore a very inevitable explanation, I think, that members might have. I don't sense any envy because a lone Albertan gets into the Cabinet, since if someone else were elected from Alberta, he probably would be in the Cabinet now, rather than Mr. Horner.

There has been worry along other lines, such as, "Well, is he really one of us? Does he agree with our policies?" and so on; but that question I have attempted to deal with both with Mr. Horner, in discussion, and in the answers I've given to some of your questions referring to Cabinet solidarity.

Q: Mr. Prime Minister, you have recruited Mr. Horner, Mr. Lavoie has been approached, and now there's a possibility that Mr. Wagner and Mr. Schreyer have also been approached. Is there not a danger that may arise if government keeps plucking people away from the Opposition, or keeps trying to entice them away from the Opposition?

A: You'd better restate that -- I mean the last part. "Is there a danger?", you said. Then what followed?

Q: Is there not a threat to democracy here, in that whenever a government perhaps feels threatened, it raids the Opposition and takes away a few members from them, thus strengthening itself and weakening the Opposition?

A: You're not seriously worried, are you, that democracy will be destroyed because we have one elected member from Alberta?

Q: I was referring to the trend.

A: Well, let's say if I recruited ten or twelve from Alberta, that would look very devious on my part, and I promise I won't do it; but, you know, one man out of -- what is it? -- 19, from Alberta? I don't think democracy is in danger, quite honestly.



Q: Are there any members on the Opposition side that the Liberal Party would not want to accept on its side of the House?

A: I don't think I'd like Mr. Broadbent to join our party. Don't tell him that. But I don't think I would.

Et, à partir du moment où un membre éminent de l'opposition se joint à nous dans l'acceptation de nos politiques sur les langues officielles, je trouve que c'est plutôt encourageant pour les Québécois. Ça prouve que ceux qui prédisent que jamais que le gouvernement Trudeau réussira à vendre sa politique aux gens de l'Ouest, - ça prouve qu'ils se trompent, parce que voici un député de l'Ouest qui dit: "Ah, j'ai compris, maintenant; je vois ce que vous êtes en train de faire, et je me joins à vos rangs."

Q Est-ce que vous les aurez convaincus d'ici un mois? D'ici le 24 mai?

R Pour les Québécois, je n'en sais rien.

Mais, encore une fois, ce n'est pas tellement aux Québécois qu'il faut vendre la Loi des langues officielles, c'est aux gens de l'Ouest, si on veut qu'ils reconnaissent dans quel esprit le gouvernement fédéral est en train de poursuivre l'égalité linguistique; la conviction, la persuasion, la conversion des Québécois à cette politique n'a jamais été très difficile. C'est dans les provinces anglophones que c'est plus difficile.

Et, encore une fois, qu'un député chevronné décide de se joindre à nous pour faire comprendre et expliquer cette politique dans l'Ouest en particulier, je trouve que c'est très encourageant, et peut-être même de nature à nous aider aux élections partielles.

Enfin, les électeurs du Québec vont voir que vraiment, on fait plus de progrès que par le passé.

Q Cet après-midi, en Chambre, le député de Lotbinière, même s'il était hors d'ordre, a essayé d'exprimer une inquiétude très réelle de la part des gens qui se sont battus pendant des années pour la défense de la langue, et caetera.

Qu'est-ce que vous avez l'intention de faire pour rassurer ces inquiétudes, en particulier au Québec? Et est-ce que vous ne craignez pas que ça risque de vous desservir le 24 mai?

R Non, je ne pense pas. Nos politiques restent les mêmes. C'est-à-dire que notre croyance à la nécessité de l'égalité des deux langues officielles reste la même.

Comme je l'ai indiqué, comme nous l'avons rappelé dans le discours du Trône, certaines modifications à cette politique sont toujours de mise, et, d'année en

année, on en a changé un peu la teneur administrative, suivant que l'une ou l'autre priorité était mise de l'avant.

Donc, du point de vue du Québec, pas d'inquiétudes.

Je le répétais tout à l'heure: monsieur Horner est entré dans un gouvernement dont la politique sur le bilinguisme, dont les principes généraux, à tout le moins, sont bien connus. A partir du moment où il est lié par la solidarité ministérielle, monsieur Horner est lié à ces politiques.

Alors, je vois ça plutôt d'une façon encourageante pour les Québécois qui voyaient que jusqu'à présent, notre politique sur les langues officielles n'avait pas une extrême popularité dans les provinces de l'Ouest, les provinces des Prairies en particulier.

Q: Firstly, will Mr. Horner have any responsibilities other than speaking for Alberta in the Cabinet?

Secondly, will he get a more senior Cabinet position in the summer Cabinet shuffle of which he spoke yesterday?

A: The first question should be answered in the negative. He will, essentially, be representing and speaking for Alberta in Cabinet on every policy which comes before us. I hope he will also be speaking as a Canadian. In that sense he will have more than one duty, but he will not have any particular administrative duties at this time. Whether he will have any in the future, or not, I can't say. That will depend on if and when I have a Cabinet shuffle. I would not hesitate to go beyond that and say that if Mr. Horner is the man I think he is, it would be a waste of talent if he didn't get some precise task once he has given himself the time to familiarize himself with Liberalism as it is practised by this government, and the Liberal forces in the Province of Alberta in particular.

Q: Can you confirm Mr. Horner's announcement yesterday, or the day before, that there will in fact be a Cabinet shuffle in July or August?

Secondly, what sort of portfolios could you see him filling? I am sure you are limited when you talk about where he is likely to end up.

A: As to whether or not there will be a Cabinet shuffle, I don't know myself as yet. If Mr. Horner is speculating on the likelihood, I think he's right. If you wrote in your newspapers that it's likely that before the next election, and perhaps before the final session of Parliament, there will be a Cabinet shuffle, I would say, "These guys are pretty astute." I think Mr. Horner

is acting on that supposition.

I haven't promised a Cabinet shuffle to him, but I repeat that he is certainly wise in assuming there is likely to be one. Beyond that there is no promise of any particular portfolio, and there is no list of portfolios that he will have a choice of, or which I will assign to him in preference to any other. So on that, absolutely no commitment.

Again, I hope we will find a place where his talents will be used to the utmost, and I would not hesitate to say that by all odds that will mean that he will have a portfolio when there is another shuffle.

Q: Did Otto Lang threaten to resign, Mr. Prime Minister, and did you hand him a pen?

A: I didn't have a pen on me, and he didn't threaten to resign. He never even talked to me about the possibility of it. I don't see why I'm answering these questions, except that I sometimes object to the preposterous nature of the rumours which are invented by somebody. The only time I talked to Mr. Lang about Mr. Horner was one night when we were having a vote in the House, and he, like most of those from the West, said that it would be a very good thing if Mr. Horner would come over to the other side.





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TRANSCRIPT OF THE PRIME MINISTER'S INTERVIEW  
WITH CHARLES WHEELER, ON THE BBC TV PROGRAM " NEWSDAY"  
LONDON, MAY 11, 1977

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Q: Prime Minister, can we talk first about the Summit, which is what brought you here -

A: Which one? The NATO Summit or -

Q: Well, the Summit generally but mainly the seven nation summit, because I thought after Puerto Rico that you didn't sound wildly enthusiastic about the results that time. How do you feel this time?

A: Well, I wouldn't say wildly enthusiastic but much more enthusiastic. At Puerto Rico, as at Rambouillet if my reports are correct, the leaders really were tackling mainly problems which could have been tackled just as effectively by their finance ministers or by their foreign affairs ministers. The real basic political concerns which should be those of the Heads of Government were much more apparent at this London Summit - I believe the degree of perception and the strength of the resolve was much broader, it was an "economic summit". But it was obvious to all of us that the economy was interrelated with many other things and the degree of concern and the resolve expressed for instance on such things as the nuclear proliferation which I feel in Puerto Rico I wasn't even able to get to discuss although it's very intimately linked with the whole energy question which is linked with the economic question. We spent a great deal of time and made a great deal of progress here on it. The same thing with the North-South dialogue: it had been a matter of concern for the European community who had taken action for instance at Lomé it had been a degree of concern for the United States and Canada and Japan who each in their own way were doing many things to try and solve the problem, but here it became a very specific item of the agenda. We discussed what we should be doing and the attitude we should take at the conference on international Economic Cooperation in Paris at the end of the month; examples of human rights, it isn't the kind of thing that would have crossed anyone's mind with the discussions at Rambouillet or in Puerto Rico. But here

the concern of the leaders was on a very high political plane - I mean a universal one.

Q: What caused this, I wonder, because the cast was the same except for the one man - President Carter replacing President Ford. Was that the factor, do you think?

A: Well, I wouldn't be so modest as to think that President Carter was alone responsible for that. For instance on the nuclear thing Canada has been trying to increase the degree of concern for several years now - we have unilaterally increased our safeguards long before President Carter as you know, and therefore on this subject I think it is a slow awareness which spreads and more important, I think it's a desire, a recognition that we have to discuss these things at the political level. In other words that it isn't enough for the technicians at the Nuclear Suppliers Conference to get together and look at safeguards, we have to agree amongst ourselves that we must make progress on this.

Q: But you've all been saying that for years in fact, and you've also been saying -

A: I don't agree with that. I don't agree with that - on the nuclear proliferation for instance there's been a much lower degree of preparedness, to sort of say well, it's all our problem and we must take action. You know, even after the Indian explosion I think, Canada took very drastic steps but I don't think our concern was as universally shared as you suggest. There was some cynicism - you know, everybody's going to be exploding in ten years, so/ nothing we can do about it. Well, today, on this past weekend you know we felt that there was something we must do about it.

Q: Can I ask you about President Carter - we are all very curious about him, and this is his first exposure to several of you at once. How does he strike you as President?

A: Well, as he had struck me when I saw him on these bilateral meetings in Washington in mid February, he struck me as a sincere man who has his own system of thinking and who isn't too easily moved or influenced by advisers or opponents. He

appeared to me at this conference as a particularly good mixture of toughness and friendliness. He was always friendly but on some things he was particularly tough - you know, we think this, and we hope you agree and if you don't -

Q: Are you, from your long experience, ever sceptical about American presidents' anxiety to please when they go abroad? We had this strongly in Nixon's first few weeks.

A: To please the people abroad or to please the people back home?

Q: Well, both obviously, but to use the people abroad if you like to please the people at home, the public relations aspect is very much stronger with American presidents.

A: I don't suppose they are as directly concerned with the people abroad as they are with the people back home, but so much is expected of them, you know, after a new president is elected everybody sort of says, well, we may as well hold our breath now and find out what will be possible in the Middle East or in the North-South dialogue or on the arms race and so on. And it's a very heavy burden to put on a man and I suppose it explains the degree of interest that Europeans and people of other nations put on any move by President Carter and any statement he makes. I shudder to think of the level of expectation that is put on that single nation - it's a great compliment of course to the strength of America but a very heavy burden for one man. And in this sense I think President Carter has not only borne it gracefully but with an organized mind and a tough mind and I am very pleased to have him as our neighbour.

Q: You're off tonight to Paris to talk to the French President Giscard. Any particular problems between the two of you? There have been in the past.

A: Not really. We agreed to meet much in the same sense as I meet with Jim Callaghan when he passes through Canada or Ted Heath or Harold Wilson. We've established this kind of relationship with Great Britain that if I'm passing through to Europe or somewhere



I can spend 24 hours in Britain, or if the Prime Minister is coming to Canada or going to the Far East or going to Washington. he will stop. We have formal protocol-laden visits but few and far between. It is the personal exchange that I like to have with President Carter, that I had with President Nixon, that I have with Prime Minister Callaghan, at which until now we haven't had with the De Gaulles, the Pompidous or for that matter the Giscard D'Estaings.

Q: Are you going to meet the Gaullists - are you going to meet the Mayor of Paris, Chirac, who's been giving comfort to the Canadian separatists?

A: No, I was officially received by the City of Paris at la mairie in my official visit in '74 I think it was, so I won't be doing any of those traditional official things.

Q: So that was a different Mayor, a less political Mayor?

A: But of course I met Chirac at the time, he was Prime Minister and he was Prime Minister in the first Giscard D'Estaing governments, so I had many talks so it's not as though I don't know the man, I know most of them.

Q: Will you discuss this separatism with President Giscard at all?

A: Separatism as a subject, no, but the general feelings of Quebec and of Canadians - I discussed it with him as recently as, I don't know, one of the luncheons or dinners we had during the summit when were sitting at a table one next to the other and spent a fair amount of time on it.

Q: Do you find him sympathetic to your view of keeping Canada together? Or does he also have these ....

A: Well, I hesitate to interpret another man's feelings insofar as our discussion is concerned. He is more interested in understanding than in judging or making political forecasts or prophesies a la de Gaulle, and this is all I ask of foreign leaders, that they don't try to solve or guide us in the solution of our problems but that they understand their nature, and it's not very difficult if you're talking to just about any European



or African or Asian leader to explain what a multi-cultural or what a pluralistic society has. I mean I don't have to tell you about the Scots and the Welsh and the Irish and I don't have to tell Giscard about the Basques or the Bretons - you know, you can go in every country and demonstrate this - the Spaniards have their Catalans and their Basques and so on. So it's more a matter of putting the Canadian problem in the overall context of pluralistic societies. The Americans have their blacks and white problem and now they're having a Spanish problem; we have the English-French problem. We also have the east-west and the north-south problem in a large country like Canada. And it's more a matter of ensuring that the other leaders understand what it's all about.

Q: Can I ask you about some of the things you've said about this. Since the November 15th election when the PQ came to power, you several times have made the point that only a small minority of Quebecers want separatism. I'd like to ask you whether you think that it isn't actually part of the separatist movements plan - you said for example that what the campaign wants is not separatism but better government. Now surely better government is phase one of the plan and having proved they can govern the state they then go on to phase two, which is the referendum, and finally separatism. Is that right or wrong?

A: Oh, yes, that is I think a fair and accurate description of their strategy and you have to recall that the party which has existed since '68 has lost two elections in '70 and '73, the party lost rather massively when they campaigned on separatism. So in '76 the strategy was to say we're not going to campaign on separatism, we don't want to lose again, we will campaign on good government, and once we are elected we will bring you good government, and some way down the road you'll be asked to choose by referendum, so don't worry, don't worry, we're not going to separate without the permission of the people of Quebec. So there was a vote against the government which put the official opposition which were the separatists in, they only had seven or eight members in the opposition, or ten, I forget, but they became the government

with a mandate for good government and a mandate to bring a referendum down the road. Now obviously their tactic in this one that you and I would be practising if we were on their side is to make sure that the years and months before the referendum convinced more and more Quebecers to vote for separation and that underlies the whole strategy, I quite agree with you. In other words they have to have a good majority to bring Quebec out of Canada and the past election history has shown that they don't have that good majority. And therefore they have to work at it and it's obviously easier to work at it when you hold the levers of power than when you are merely sitting in opposition.

Q: Well, now would you say that the sentiment for separation and the number of people who want it in Quebec is growing or receding?

A: I don't know. I think it goes in waves - sociologists and the pollsters tell us that it is fairly static, there is something like between 10 and 15 per cent hard core separatists and then there is perhaps twice as much people who could be sympathisers or convinced one way or another and that there is still a good majority of Quebecers that wouldn't want to give up Canada as their country.

Q: You sound rather optimistic to me, but can you think of an occasion in more recent history when an independence movement - that a minority who wants independence which has heard the government say to it yes, we have neglected your rights in the past, has not grown and not in fact won its cause in the end?

A: Well, I'm not sure how many historical parallels and how far back you want to go. I mean do you want to talk about Scotland or Wales or would you like to talk about Brittany or have they moved towards independence; should we look at the Belgian problem which has a linguistic problem?

Q: The point is I think the point I am trying to make is that you very often sound very defensive about this, in that on the one hand you're trying to stop Canada breaking up and on the other hand you're saying to English Canadians you have neglected these people; you as a French Canadian go back into history and explain it, say these people have been badly treated and that surely feeds the feeling that they have a right to separate on the part of the Quebecers. You're in a dilemma here aren't you?

A: Well, Canada is in a dilemma and I share the approach that you bring to it. What I don't want to embark upon is the historical analogy and where will it lead. I think very simply all nationalisms or reactive phenomenon generally become ultra-nationalistic because the majority or the colonial power or the dominant white race or the government or the dominant religious group, whatever it is, hasn't treated you fairly in your own perception. And that is what creates independence movements, whether it be in Ireland or in Lebanon or in Cyprus or in Canada. Therefore as one who believes in Canada, who is dedicated to its survival, I have, my whole political career has been directed towards greater understanding of one side by the other. And to English Canadians of course I have said look, you have not lived up to your part of the bargain, which is to - in my view and in the view of most French Canadians and those who study the confederation debates - to give a certain linguistic equality, or at least an opportunity for the French-speaking Canadian to be at home in Canada. So I say this to English Canada and to Quebecers of course I say well, it's true you have grievances but you know, in order to solve a very real linguistic grievance, do you have to break up this country which has been yours for 300 years in which you can share, in which you can - the government of which you can participate by sending French Canadians to Ottawa, as myself, to make sure that you get a better deal. Therefore as with all difficult social and political problems the understanding comes first and it's towards this understanding that my government and others before mine have been trying to make progress. You started



your question by saying you were rather relaxed or optimistic - well, I am not - of course I am not happy that the separatists are in power because as I said this gives them tremendous leverage, but in a sense I am happy that Canadians now will be compelled to make a real choice. You see, historically Canada has grown a bit like topsy, I mean we were four provinces and five then seven and nine, finally ten, and we were a few million and then five and twelve and twenty-two, and we were more or less in balance, French and English-speaking Canadians and by now there is about a third of the population, a little more than 30 per cent which is of non-British or non-French origin. So the country has grown in this way and nobody has really - since our constitution dates back 110 years ago - nobody in recent times has had to sort of make a conscious choice, a social contract with each other. I am talking in the Rousseauan sense, not in the labour party sense. But a contract as a country that it is good that we live together and in order to live together happily we have to do certain things for each other. These have to do with the correction of economic disparities for instance in the case of the Maritimes which are much more impoverished than other parts of Canada, these also have to do with what I call linguistic equality, to make sure that the French speaking Canadians can recognize the central government as their government because they will be able to talk to it and write to it and deal with it in their language, in the French language. So these are all - and the sense in which I am happy is that we are coming down to the crunch now. In past times when these grievances were put forward - oh, well, you know it was kind of neglected, no hurry, these things will solve themselves. I am sure a lot of people felt all the French will eventually all learn English and the problem will go away, you know, like saying in the United States the blacks will all become white or we'll all become grey, so let us not worry about it. At some point the crunch comes and then the various decision-makers in the society have to say well, how are we going to solve it? And in this sense the election of the separatists is to me a new leaf - it is not only an occasion, it is a challenge to Canadians to will their country into existence once again as they willed it into existence a hundred years ago.



Q: Prime Minister, you have warned the Americans of the dire consequence of the break-up if it should come and you have drawn analogies with the Caribbean and implied that it would be worse if it happened than the missile crisis. What do you mean?

A: Well, I really have not warned them. I have held this kind of language with them as I have with Giscard D'Estaing, and with anyone else who wants to talk to me about it. The missile question was a suggestion put by somebody from the press - is this as serious as the missile crisis? I don't think the analogy is proper - one is of a military nature, the other is I think the loss to the democratic ideology if as wealthy, as big, as prosperous, as highly educated, as tolerant, as free a country as Canada can't solve a question of two official languages. And that is my concern - I think it is of grave consequences if two - you know, the two languages which are perhaps amongst the most important of western civilization can't find some accommodation and live within a country like Canada - we are very far advanced on the road to culture and civilization and prosperity and freedom in Canada and I say to the separatists do you really have to break up the country in order to solve the linguistic problem? And I suppose there are countries where you cannot solve your religious differences - you know, Lebanon or Northern Ireland, or where it is very difficult and where you end up shooting each other. I just cannot believe Canadians want this, neither French nor English-speaking.

Q: Thank you, Prime Minister.



TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A OTTAWA, LE 2 JUIN 1977

THE CHAIRMAN: Before we start the Press Conference, the Prime Minister has a statement to make about some appointments in the upper echelon of the public service..

THE PRIME MINISTER: Three Deputy Ministers were appointed this morning. Mr. Roger Tasse, who was Deputy Solicitor General, has been appointed Deputy Minister of Justice; John L. Manion moves up in the Department of Manpower and Immigration, becoming Deputy Minister of Manpower and Immigration; and Bruce MacDonald is moving from Treasury Board to become Deputy Minister of National Revenue on the Taxation side.

Il y a trois nominations de sous-ministres.

Le sous-ministre de la justice sera monsieur Roger Tassé, qui, ci-devant, était le sous-ministre au bureau du solliciteur général.

Monsieur Jack Manion devient sous-ministre du Ministère de l'Immigration et de la Main d'Oeuvre.

Et, enfin, monsieur Bruce MacDonald, du Conseil du Trésor, devient sous-ministre du Revenu National du côté taxation.

Q: Mr. Prime Minister, did you have any specific proposals to make at the Commonwealth Conference regarding Rhodesia and, as a supplementary to that, would you rule out the use of a Canadian peacekeeping force to effect any transition to black majority rule?

A: No. This discussion was entered upon at every Commonwealth meeting. You will recall that at the Ottawa meeting in 1973 there was a specific proposal for a Commonwealth presence in the event that Rhodesia would accede to full independence. Canada agreed then that we would be part of that presence. The various formulae have been worked out since, the most recent one, I believe, by Mr. Callaghan and then by Mr. Ford's government. Of course, we agreed to take part in any Commonwealth presence, to be defined in various forms. That is still our position. We have always taken a close interest in the Rhodesian question.

Q: Were there any new ideas, Mr. Prime Minister?

A: I do not expect any new ideas to be put forth. Of course, on the Commonwealth, there would be a lot of other subjects, hopefully, discussed -- naturally, the question of the Commonwealth Games and the holding of them in Alberta will be, hopefully, well settled in London. I have a great confidence that since the matter has not been completely resolved before the Heads of Government meeting, we will use

their wisdom and patience to find a solution to it. Certainly, Canada wants those Games, and Alberta has shown great zeal in its preparedness for those games. They should be held, not only for Canada, but for the benefit of the Commonwealth. If we cannot solve a simple problem like that in the Commonwealth, I think we should re-examine ourselves.

On economic issues, I have been asked to take the initiative in making the opening statement, so I may have some points to make on that subject.

Q: Mr. Prime Minister, this is the first Press Conference that has been held since the announcement of your separation. I remember you said at a recent Press Conference that the only reason you might reconsider staying in politics would be because you would feel you might have to spend more time with your children. Presumably, the new arrangement does mean that your duties as a father will be taking, perhaps, more time than they have in the past. Has that led you to reconsider your political career, either in the short term or the long term?

A: No, it has not. As of yet, it is still a new arrangement. I have been able to spend a fair amount of time with my children, and I hope to increase that time by cutting out on other things. It certainly has not led me, in any way, to think that I might cut out on my present occupation. I suppose I am one of many single parents who have to work and look after their children at the same time. I do not see why I would not be as able as anyone else to do it.

On the subject of the marriage -- I am not sure I am very wise in prolonging the question -- I feel, in fairness to Margaret, I should inform you -- she has given statement; no interviews since our separation/ she has remained as silent as I have. All those stories written about what she is alleged to have said are, unfortunately, not based on fact. Out of fairness to her, if there are any investigative reporters, they might wonder how that kind of thing gets out.

Q Monsieur Trudeau, monsieur Claude Morin, hier, à Québec, aurait déclaré que le Gouvernement du Québec était disposé à entreprendre des négociations avec Ottawa sur son projet de souveraineté politique, mais à condition que ce soit une négociation à deux, entre les deux peuples fondateurs, et non pas une négociation avec dix autres gouvernements.

De votre point de vue, est-ce que cette approche est acceptable?

R Eh bien, il faudrait d'abord savoir exactement qui parle au nom de quoi. Il n'y a pas si longtemps, monsieur Lévesque me disait à moi, il disait publiquement qu'il n'y avait aucune sorte de négociation avant le référendum.

Maintenant, s'il a changé d'idée et qu'il parle



par la voix de monsieur Morin; eh bien, s'il est prêt à des négociations, nous en sommes très heureux.

Je suis désireux de discuter la formule avec le chef du Gouvernement Québécois. Je n'ai aucune objection, bien sûr, à des rencontres bilatérales.

Je n'épouse pas, quant à moi, la thèse que le Premier Ministre de la Province de Québec parle au nom d'un peuple fondateur. Sauf erreur, il y a beaucoup de francophones dans le Québec qui ne sont pas représentés par monsieur Lévesque, dont moi-même; et surtout, il y a beaucoup de francophones hors Québec qui ne sont pas représentés par le Gouvernement de la Province.

Alors, je pense qu'il faudrait éclaircir le mandat de celui avec lequel j'aurai des discussions.

Mais pour ce qui est des discussions bilatérales, j'en ai eues bien sûr avant avec beaucoup d'autres Premiers Ministres de toutes les provinces, et je peux en avoir avec monsieur Lévesque si, toutefois, il croit qu'on peut discuter d'une nouvelle formule constitutionnelle avant que le référendum n'ait lieu, ce qui est contraire à la position qu'il exprimait clairement il y a peu de semaines.

Q: Mr. Prime Minister, it does seem as though the door has been opened. I wanted to ask you specifically how you intend to follow up what seems to be an opening. Do you intend to get in touch with Mr. Levesque to find out if he is prepared to enter into negotiations?

A: As I just answered, everybody has been opening doors and everybody has been closing them. Mr. Levesque himself has, at the same time, opened and closed doors. I do not know if they really want to have a Constitutional negotiation. If so, I just indicated I would be perfectly happy to sit down with Mr. Levesque, or anyone else, and talk about a renewed Constitution. I indicated last week at the Press Conference that at a certain point in time we may have some proposals to make ourselves. I am not sure about Mr. Levesque's position. Several months ago, they were objecting to the use of the word "separatism" as regards their policy. Now, apparently, they are not even talking of independence. If Mr. Levesque's party wants to discuss a new form of federalism, a different division of powers, I would be very happy to do so with him, or with other premiers. I do not think any final solution can be obtained just between the Premier of Quebec and the Prime Minister of Canada. At some point we will obviously have to get the other provinces involved. But if Mr. Levesque has some proposals to make, I am certainly anxious to listen to them.

I remind you that in January I sent a letter proposing, if the premiers wanted, a reopening of the Constitutional debate. I made the offer personally to Mr. Levesque when I saw him in December. Although he has not answered in substance to my letters, he has at least sent an acknowledgement, and the effect of it seems to be that he does not want to embark on Constitutional discussions. If Mr. Levesque has something precise to say, or if Mr. Morin wants to make any proposals, we will look at them very gladly.

Q: I take it you yourself do not intend to respond. You are waiting for Premier Levesque to make some definitive declaration?

A: I have nothing to respond to at this point.

Q: Mr. Prime Minister, in reference to the Agence Presse Libre in 1972, it has now been reported that a registered letter was sent about three days after -- in fact three days after the break-in. Under the concept of ministerial responsibility, should not a Solicitor General have known about it, or been told about it, or certainly should not he have followed up any internal inquiry undertaken by the RCMP? Should not any charge of an illegal break-in have been brought immediately to the government's attention?

A: The answer is yes. But, as I made perfectly clear in the House and at my Press Conferences, beyond that I am not going to make any new statement or bring in any new facts. We have made our position quite clear. There will be a full statement on all of the facts as we possess them as soon as the case is over. In other words, as soon as the sentence is pronounced on the persons who pleaded guilty, and I understand that will be in less than two weeks' time. So, I must ask you to forbear. I will not make any further statement. I will confirm the exactitude of the statements I have made up to now. When you talk of illegal break-ins, as I said in the House this afternoon, yes, Mr. Goyer was eventually informed of a break-in, and all break-ins, I think, are illegal. So, he knew about that. What he did not know about, and what any Solicitor General did not know about until something like a year ago, was that the RCMP had been involved. Full stop.

Q: If I might follow up on that -- and I only bring it up because last week you did make a statement referring to it. To clarify the statement you made, the registered letter specifically accused the RCMP of being involved at the time. Should not the Solicitor General -- your statement last week was that there was no coverup; you did not know about it until 1976. But they had the accusation, surely, that the RCMP were involved.

A: I think your words are perhaps not happily chosen. There was no specific accusation. A question was raised about the involvement of the police in that letter. That is to clarify your question. My answer: I have no further clarification to give you. We will make a full statement as soon as sentence is brought down.

Q: I have two questions. I rather hope that someone else will ask the obvious question: whether Mr. Goyer will be asked to remain in Canada and not go to Africa next week when Mr. Fox delivers his statement.

My question is on CIEC, which is now, apparently, a failure. Can you give an assessment as to how serious a failure that is and whether you see that this can lead to a developing-developed world confrontation similar to what we had in 1973, and what effect it will have on the forthcoming Commonwealth Conference?

A: The latest information I have is that the word "failure" or "shambles" which was also used, are premature, in the sense that the conference was continued today. So far as I know, it is perhaps continuing at this time. Until it is over, it is premature to talk about its success or its failure. Beyond that, there is not much I can say. At the London Summit the industrialized nations were prepared to go some very considerable distance to meet the legitimate claims and aspirations of the less developed countries. As you know, Canada made some very important concessions and took some very important positions towards the meeting of the requests of the group of 19. I would think, if London was any portent of what the other countries would say, that several other industrialized countries took very, very good positions, too. I would really need a report of the Conference as it finally ends to be able to assess whether it failed and, if so, why, if indeed that is what happened.

Q: Can you give us some kind of an indication as to what you are going to say in your economic statement to the Commonwealth?

A: Why don't you come to London and I will give you a copy of it?

Q: Mr. Prime Minister, the report in Le Devoir today revealed that Attorney General McMurtry in Ontario has refused a request by Gerard Filion for a trial in French in Toronto. In light of that, and possibly other similar cases, do you have any plans to protect official language rights for minorities?

A: I do not know the details of this particular case. I can only hark back to my old saw about the Victoria Charter which provided for the exercise of rights in front of the judicial process in the provinces in both official languages. Ontario is one province which at the time subscribed to that constitutional project. If they have not

made progress on their own, in spite of the failure of the Victoria Charter because of Quebec's refusal, I regret it. But I have no great new comment to make. We were all through this almost ten years ago in saying that the minority rights of both linguistic groups would have to be protected. That is what we were working towards in Victoria, and that is what I have been trying to reinstate in my successive attempts to bring back the Constitution with various provisions of the Victoria Charter.

In 1971 it failed because of the then government of the Province of Quebec, but the more recent attempts, I am afraid, have failed because the provinces themselves, the ten premiers when they met in successive interprovincial meetings, did not accept the proposals I made to them for patriation of the Constitution with a certain number of the Victoria elements incorporated into the Constitution. So now we have had a separatist government elected in the Province of Quebec and everyone is having second thoughts and wishing we had done it before. I can only say I told you so, and I told the premiers so.

Q: What thoughts do you have about trying to get it going again? How do you see that ---

A: As I said earlier, there is not much point in my having a Constitutional conference with the other provinces if the Province of Quebec refuses to negotiate. They say they will not even sit down and discuss a new Constitution with us. That will have to be ascertained first. If Quebec is prepared to move, fine, we will all sit down and talk about it. If Quebec is not prepared to move, then I may consider some initiatives which I mused about last week and which we perhaps will be talking to you about in the Fall.

Q: Would you think it would be feasible for the federal government to intervene and bring to bear its sort of moral authority in individual cases if there are such cases in the courts?

A: No, I would not think that using our moral authority would get much effect. That does not mean we do not try to exercise it. In the case of Bill 22, you will recall, we made some statements about the freedom of choice. We made some more about Bill 1. We have had ministers like Mr. Lalonde exercise his moral authority to get Ontario to try to move a little more generously on language rights. But these are no more than that -- forms of enjoiners which are moral and which constitute some form of pressure. I would feel much safer if we were able to get the legal status established and constitutional guarantees accepted, which is something that, patiently, we will work towards again. I would just remind you that we have been trying that since 1969. At various times various provinces have not seen the danger of sweeping the linguistic problems under the carpet. I think now that we have all been made a little more aware of that danger, we may make some progress in the years to come.



Q: Mr. Prime Minister, Premier Levesque, just in the last hour, has said, with reference to the Morin statement, Mr. Morin's statement that was given such prominence, play in the Montreal newspapers, the Star, the Gazette and the Le Devoir today, that his government is open to dialogue but "We will not go back to the maquis of federal-provincial waste of time."

I am wondering -- granted, you have not had much time to think about that, but do you think that this is just an illustration or a manifestation of confusion between PQ ministers, or is there possibly some kind of strategy involved in this kind of "give and take back"?

A: That is a good question. They certainly have been all over the map on whether they want to negotiate or not in the past several months. Your guess is as good as mine. Is this a subtle strategy to get everybody unnerved and then they change their mind? Everybody starts moving in that direction and they move again? I do not know. I cannot get excited over one statement by Mr. Morin, nor do I know what Mr. Levesque means by the "maquis" of the federal-provincial relations. If one looks at the history of federal-provincial conferences, particularly the history of the last couple of years when we tried again to get the Constitution patriated, it seems to me there were many provinces on Quebec's side. It was not a case of the other provinces and Ottawa being against Quebec. It was many provinces together against Ottawa. In some cases, as in the proposal we made to change the Canada Pension Plan, it was Ottawa and Quebec, and other provinces against Ontario. So, of course, there are divergent interests when we have federal-provincial conferences, but I think one is exaggerating the history of it when one feels that Quebec is always isolated and that they have no friends. I repeat, your guess is as good as mine. If Mr. Levesque, after having said that he will not negotiate until after a referendum, is now saying that he is prepared to negotiate, that is a very, very welcome statement. I am not going to be hung up about any previous statements. If the Quebec government really wants to look at a new form of Constitution whereby Quebec, within Canada, would be playing a different kind of role and exercise different powers, and the other provinces would, too, then, let's sit down and see what they have in mind.

But if they want to get their independence first and then sit down, I say there is no deal. What is perhaps happening is that the PQ government is realizing that the people of Quebec, as we always said, do not want independence and, therefore, the PQ government is trying to mount some case whereby it would stay in Canada if/certain things happened -- <sup>only</sup> these things not to be defined by them but to be put up by the federal government or other provinces so that they can more eloquently shoot them down. The question remains if Quebec wants to stay, if the government of the Province of Quebec wants Quebec to stay in Confederation, fine. Let's see what they have in mind in terms of a new Constitution.

Q De retour à Londres. Est-ce que le Canada prendra l'initiative d'assurer que la question des droits de l'homme soit mise à l'ordre du jour de la conférence du Commonwealth?

R Je ne peux pas vous renseigner en détail sur la question des droits de l'homme.

Si vous pensez au problème de l'Ouganda en particulier, je ne sais pas encore si le Président y sera. Mais je sais certainement que la charte de Singapour, la déclaration que nous avons faite à Singapour, est toute basée sur le respect des droits humains et des libertés publiques.

Alors, certainement, si le débat surgit dans ce domaine-là, nous avons un document auquel nous référer.

Q Est-ce que vous attendrez que le débat surgisse? Ou est-ce que vous tenterez de le susciter?

R Je n'ai pas de plan pour le moment pour tenter de le susciter. J'ai l'impression qu'il va surgir.

Moi, on m'a demandé de prendre l'initiative de parler dans le domaine économique. D'autres parleront du problème africain, d'autres parleront du problème social, etc..

Q: Mr. Prime Minister, between 1949 and 1957, we had a situation of a French Canadian Prime Minister, Mr. St. Laurent, and Mr. Duplessis in the Province of Quebec. Each would go to the electorate, and Mr. St. Laurent would roll up over 60 seats and then Mr. Duplessis would go and he would roll up a tidy margin. There was a conflict or arguments between them, particularly on Constitutional matters, as you will remember, but they never got to resolution. They never got together. Somehow, after those byelections we can almost anticipate something like that happening again, safely reinforced by this game that is being played now of "What does Levesque really mean and what do those people in Ottawa mean".

Can you not bust through this without -- what we watch from election night -- can't you bust through this by taking a straight initiative and going down to Montreal some weekend and sitting down with Levesque and finding out just what is what?

I know that seems to be a simplification, but I can certainly see history repeating itself. You yourself spoke earlier of history repeating itself.

A: Perhaps my reading of history between 1948 and 1957 is not exactly the same as yours. Sure there was divergent interests between M Duplessis and M St. Laurent, and there were some stalemates. But there were some solutions to problems. I can remember that on grants to universities, for instance, the thing took some time and finally was resolved.

In fairness to your point, it was probably resolved during the Diefenbaker years. I cannot remember the exact date.

Q: It was not resolved at the ballot box. That is my point. Why should the rest of us suffer from the schizoid voting patterns of the French Canadian in Quebec for two diametrically opposed leaders?

A: Well, how are you suffering exactly?

Q: The inability to get the two of you together for some kind of resolution, for some kind of definition.

A: This is the case with every province where we are trying to decide now the price to be paid for Alberta oil. We have had federal-provincial conferences; I have talked to Premier Lougheed and he to me. Our ministers have talked, Don Getty and Alastair Gillespie. I suppose we all suffer from it to a certain degree. The province has different interests than does the federal government in this matter, but we work and try and eventually reach agreement. We have done that in the past with Quebec. The country has not broken down. I admit that the politicians are spending more time than I would like trying to solve federal-provincial difficulties -- perhaps some of our creation; perhaps some the creation of the provinces. But insofar as Quebec is still a province within Confederation, it has certain constitutional problems, and we would like to know what they are, if they are to be solved.

With Mr. Bourassa, who certainly was not of the same allegiance of Mr. Levesque, nor Mr. Duplessis, there were also problems on the Constitution that we attempted to solve. I have just given a little recital of the history of it. We moved in some areas. We moved, for instance, on family allowances. We reached a solution which is administrative and not constitutional which seems to have been satisfactory to the provinces.

Q: Did you have private chats with Mr. Bourassa as recently -- within the last year on somebody's initiative?

A: Yes, I had private chats occasionally with Mr. Bourassa. I had some with Mr. Levesque when he was down here in December. There may be others. I think it is a little bit naive to suggest that I jump into a bus and go to Montreal to meet with Mr. Levesque and we will put balm on your sores.

Q: You may not solve it, but won't you at least define it?

A: I know what would happen if I went to Montreal and saw Mr. Levesque.

Q: What?

A: Well, you would be at the door and you would be there with your mike, saying, "Okay, what have you solved," and I would say, "Well, we only began to define the problem." The response: "Great failure; big deal! How much did it cost the taxpayer to bring him to Montreal?"

I want to make sure that Mr. Levesque wants to discuss; that he wants to remain in Confederation, in which case we sit down together and we talk. But if, as he told me, he wants to take Quebec out of Confederation, I do not see much advantage in my going to Montreal and discussing with him the terms on which that would be done.

Q: Mr. Prime Minister, on the question of minority rights, when you formed your interdepartmental committee a couple of days ago to respond to the Francophone Brief -- the one outside Quebec -- you mentioned that this was part of an ongoing concern of your government since the days of Gerard Pelletier in 1969 -- the plight of minorities outside Quebec, the French speaking one, and the English speaking one in Quebec. Today in the Commons you said that that committee was really designed to deal only specifically with French speaking communities outside the province. I am wondering if you see any fallout from the deliberations of that committee for the Anglo minority in Quebec and, if not, whether you will do anything in any other way to accommodate them?

A: As I explained in the Commons, various committees dealing and groups and ministers / with various minority problems. We have an ongoing committee of ministers, for instance, which meets regularly with the Indian leaders and tries to solve problems at that level.

All I was doing Tuesday of this week was meeting a group which has a legitimate claim to be heard and which put a rather substantial brief in front of us. I dealt with it as I do, suppose, 50 times a week by getting somebody or some group to analyze the brief, come forth with suggested alternatives or recommendations on which we will act. That is all. It does not mean that as regards other minorities, including the Anglophone minority in Quebec -- they will not be dealt with in examination of this particular brief, but, of course, that problem is very central to, not only our concerns in general, but to many of the courses we have been taking to which I referred a little earlier. Once again, it was at Victoria that we said we want to entrench the linguistic rights of the English speaking minority in Quebec and the French speaking minority elsewhere. That is still very much in our minds. I told you last week that we are going to publish a position paper on languages before the end of the month which will have very much at heart and at the centre of its concern the problem of the English speaking minority in Quebec, along with that of the French speaking minority in other provinces.



Q: Mr. Prime Minister, these news conferences were introduced on an experimental basis. I am curious to know how you think the experiment is going. Do you find them useful or an infringement on your time? Further to that, what kind of access can we expect once Parliament adjourns for the summer?

A: I suppose I am not in as good a position to assess whether they are a success or not. Dick O'Hagan tells me that they are a great success. From my point of view they are a success because I do not have mikes shoved up my nose in every corner of the Parliament Buildings. I do not have to be seen in fleeting shots running away or running towards the camera every once in a while. I think this is a well organized, civilized exchange of questions and answers. I find it very useful from my point of view. I think it has an important function to play in the communications between the government and the people. I remind you -- not to hurt Dick's feelings, but to give credit where credit is due -- I proposed this type of conference at least four or five years ago through Pierre O'Neil. We suggested to the Executive of the Press Gallery that, rather than having these hopelessly chaotic scums (sic) ---laughter---(scrums) that we would have weekly Press Conferences. That was a non-Freudian slip. You are the people who did not want that at the time. If you now find them a success, I am prepared to continue.

As to what will happen when Parliament adjourns, I think I should continue meeting the Press on a regular basis. I do not know whether it should be a weekly one. If I have nothing to say and there are not questions to be asked, I do not think we should waste our time. But insofar as they are useful and informative, we should continue to meet regularly.

Q Monsieur Trudeau, dans votre réponse, tout à l'heure, sur l'Agence de Presse Libre, il semblait y avoir des doutes quant à la clarté des lettres qui ont été envoyées à monsieur Goyer. Pourtant un télégramme envoyé à la police, les trois forces policières, au même moment, disait bien que tout portait à croire que les polices étaient impliquées, et demandait si l'organisme en question celui-là, à chacun, était impliqué lui-même dans ça; à tel point que le ministre de la justice du Québec lui avait répondu que les trois forces policières n'étaient pas impliquées?

R Vous me parlez du télégramme. Est-ce qu'il s'agit de la lettre qui...

Q Il y a une lettre un jour, mais il y aurait eu un télégramme la veille aux trois forces policières?

R Je dois dire que moi je n'ai pas pris connaissance d'un télégramme. Sans doute qu'il y en a eu comme vous dites. Je parle de la lettre qui a été adressée à monsieur Goyer.

Pour ce qui est du télégramme, première nouvelle quant à moi. Je demanderai à monsieur Fox d'en tenir compte dans la déclaration qu'il fera dès que le jugement sera rendu.

Q Monsieur le Premier Ministre, le ministre des affaires intergouvernementales du Québec, monsieur Morin, a suggéré que la négociation sur la Constitution, ou la négociation sur un nouveau Québec, un nouveau Canada, se fasse à une voix égale entre le Québec et le Canada.

Qu'est-ce que vous pensez de cette forme, de ce format de négociation-là?

Est-ce que, à la limite, il convient à votre perception?

R Eh bien, je l'ai dit tout à l'heure: s'il s'agit de rencontres bilatérales entre moi et le Premier Ministre d'une province, y compris celui de la province de Québec, je suis tout à fait d'accord. Mais s'il s'agit de penser que moi je suis mandaté par l'ensemble des canadiens pour négocier une nouvelle constitution avec une seule province; non, la réponse est que ce n'est pas possible. Je n'ai pas ce mandat-là et je ne peux pas l'avoir en vertu de la constitution actuelle.

Q Dans le cas où vous acceptiez ce format, par exemple, est-ce qu'il ne faut pas qu'il y ait une voix qui parle?

C'est-à-dire, est-ce qu'il ne faut pas justement qu'on aille chercher ce mandat-là? Le Gouvernement Fédéral va chercher un mandat, je ne sais pas à quel endroit, par exemple, dans le cadre d'une élection, au niveau d'un espèce de consensus au niveau des provinces, des autres provinces, des neuf autres provinces?

R Ca dépend...

Q Aller chercher un mandat?

R Eh bien, un mandat pour quoi? Si c'est un mandat pour négocier avec le Gouvernement de la province de Québec pour s'informer l'un l'autre de la sorte de constitution dont on voudrait voir sortir pour les années qui viennent. J'ai ce mandat-là: je peux discuter avec tous les Premiers Ministres. Je donnais des exemples tout à l'heure de discussions fréquentes que j'ai avec des Premiers Ministres sur des sujets qui concernent leur province.

Alors, ça, d'une part, il n'y a pas de problème.

S'il s'agit d'un mandat pour que le Québec se retire de la Confédération, je dis clairement que je n'ai pas ce mandat-là pour discuter ça avec la province de Québec.

Alors, entre ces deux extrêmes, qu'est-ce que le Québec veut discuter avec moi? Pour le moment, je n'en sais rien. Un différent partage des pouvoirs? Fort bien; qu'il s'agisse d'immigration ou d'allocations familiales, nous en avons discuté par le passé, nous avons fait des accommodements, des arrangements qui semblent agréer aux deux parties.

Alors, s'il s'agit de quelque chose de ce genre, fort bien, parlons-en.

Mais s'il s'agit de retirer le Québec du Canada, de séparer le Québec et de le rendre indépendant du Canada, je n'ai pas ce mandat, et c'est la première précision qu'il faudrait obtenir du Gouvernement Provincial: de quoi veulent-ils discuter? Je leur dirai à ce moment-là si j'ai mandat pour en discuter avec eux.

Q: Mr. Prime Minister, two related questions. You said earlier that your wife, or Mrs. Trudeau, had agreed not to hold any interviews since the separation agreement. Was that part of the agreement?

A: No, I did not say that. I said that, as a matter of fact, she did not give any interviews. Therefore, all the spate of stories that have been built on some alleged interview that she would have given since her Press Conference were, unfortunately, fabrication and, I think, damaging to a very fine person.

Q: My second question is: can you be more specific -- you may have done so just then -- on what stories are incorrect? Are the ones you are talking about the ones in the British papers, in the New York press?

A: I cannot tell you what was incorrect. Apparently, she was quoted as having said a lot of things after the separation agreement was made public Friday of last week. She did not give any interview. She did not talk to the person who is quoting her right and left -- since the separation. She had talked to him, as we know, a month or two before in the context of an interview for People Magazine. So, unfortunately, this person is not really being treated -- this fine person -- has not been treated fairly by people who are obviously exploiting the situation, and I regret that. That is all I wanted to say.

You have been as great a victim as she has, because you read stuff in the papers and you say, "If she said this, such and so must follow." She did not give any interviews.

Q: Sir, I was going to ask a question based on your observations about those press reports. Do you intend or expect to meet Mrs. Trudeau during your visit to London and

will Mrs. Trudeau be spending the month of August, or any portion of the summer, at Harrington Lake?

A: I do not expect her to be in London when I am in London. Therefore, I hardly expect to meet her. As to Harrington Lake, there is a provision in the separation agreement that she will have generous access to the children. There have been no dates arrived at with any precision. The least I can say is that there has never been any question of her seeing them in August. So that part of the story is fabrication, too.

Q: Just a brief clarification of something my colleague asked, Mr. Trudeau, and then I would like to go on to my own question. You said that there was no interview, which suggests ---

A: Look, I do not think I want to take any more questions on that.

Q: Okay. Can I go on to my other question? It has often been said about you that you basically run a collegial type cabinet, giving a lot of emphasis to the individual ministers within their responsibilities. I wonder if it could be seen that, in recent weeks and months, you are swinging around the other way? When you think that virtually all of the hot issues these days -- the relationship with Quebec, Constitution, pipelines -- in each of these major areas there has been a strengthening in your area, in the PCO or in your own office -- in Mr. Tellier's operation, Mr. Pepin's likely appointment, or involvement there; Mr. Robinson coming into your office -- whether you want to call it PCO, PMO -- and now Mr. Thorson. Could this be seen as being somewhat of a power grab by the Prime Minister?

A: Well, your analysis is interesting. I would not define it as a power grab. I would rather delegate as many of these things as possible to as many ministers as possible. On the pipeline issue, for instance, the appointment of Mr. Robinson, it should be noted, was to report not to me but to report to Al MacEachen, who is chairing a committee of ministers to deal with pipeline issues. Therefore, that is not in my office and not in my direct power, shall we say. I would say that there is evidence to the contrary of your thesis in the way the negotiations have been conducted this year on the pricing of energy from Alberta. I have not been involved in the negotiations, even remotely. Of course, I have discussed the matter with Mr. Gillespie and my colleagues in Cabinet, but the negotiations have been conducted by Mr. Gillespie and the ministers of energy of the Provinces, not by the premiers and myself.

I think I could give several examples of my attempting to have other ministers solve the problem rather



than getting myself involved. It is true that on national unity -- I suppose because of the very nature of the issue -- it is taking more of my time. I am gathering together officials -- not new people; we are not hiring a lot of new people. We are just moving people out of departments to work with Mr. Tellier and perhaps eventually with Mr. Thorson. That, I suppose, is in the nature of the issue. Problems of unity will have to my immediate and deep concern. For that reason, I am inclined to try and hand other issues, like energy, like the pipeline, to other ministers. I have had Mr. MacEachen, as Acting Prime Minister, chair a lot of committees that I used to chair -- even, indeed, chair several Cabinet meetings to give me more time to either travel around the country and talk about energy or to travel abroad and attend the Summits, and so on.

Q:                   What is the situation with respect to Mr. Pepin?

A:                   Well, Mr. Pepin's function will be defined around mid June. Mr. Pepin is on board. He is working with the government, but the strict definition of his functions will be announced around mid June.

Q:                   Do you plan to have a separate meeting with the new Prime Minister of India and, if so, what subjects do you have in mind to discuss with him?

A:                   I would hope very much to meet him. I have requested that such a meeting be arranged, if possible. For one thing, I would be interested in discussing with him the conditions under which Canadian cooperation with India in the developmental area could be resumed or improved. You will recall that ever since India exploded an atomic device we have suspended the technical aspects of our assistance to India. We are anxious to get that matter settled. I am very much looking forward to having a discussion with the Prime Minister on their policies as regards nuclear explosions.



CAI

PM

-P61

Q. Est-ce que votre opinion du Commonwealth a varié au cours des années?

R. Eh bien, mon opinion a suivi une courbe ascendante, en mieux, pendant quelques années, mais à la suite de cette conférence-ci je commence à avoir quelques doutes. L'avantage que j'y voyais de plus en plus, c'est que nous avons là des échanges directs, sans interprète, avec des chefs de gouvernement venus de partout dans le monde. Mais à mesure que le nombre s'accroît et l'habitude de se parler directement, on commence à se lire des discours les uns aux autres. Je prévois un effondrement de l'intérêt pour le Commonwealth à moins qu'un coup de barre nous soit donné pour qu'on revienne -- si je peux me permettre de le dire -- à la procédure que nous avons établie à Ottawa en '73: des règles très strictes aux termes desquelles personne ne devait lire un texte, mais on devait s'engager dans un dialogue, dans un échange véritablement, essayant de s'influencer les uns les autres plutôt que se lisant les uns aux autres des textes préparés par nos acolytes. Alors je suis un peu inquiet mais pas assez encore pour mettre le point final.

Q. Est-ce que c'est une question de forme ou de fond, ce désaccord? Ca tient simplement à la procédure?

R. Ca tient un peu à la mécanique.

Q. Aussi aux attitudes qui ont été exprimées?

R. Non, non, non. Plutôt à la mécanique et plutôt à la forme comme vous dites. Et au nombre toujours croissant des participants. Enfin, nous sommes partis de cinq pour arriver à 20 pour passer à 30 et maintenant il y a quoi, 36 ou 37. La prochaine fois, on sera bien 40 ou quelque.

Q. Est-ce qu'il n'y a pas un problème aussi dans la, j'allais dire la grande divergence qui existe entre les pays qui sont représentés ici au point de vue population, Il y a des pays comme le Canada, la Nouvelle-Zélande, la Grande-Bretagne -- des pays riches, aussi des pays pauvres mais aussi des tous petits pays -- quelques centaines de milliers d'habitants,

même quelques dizaines de milliers. Est-ce que ça ne crée pas un problème dans un forum aussi large?

R. Non, au contraire. Je pense que l'utilité du Commonwealth, de ces réunions, venait précisément du fait que nous venions de régions géographiques extrêmement variées et que notre présence économique ou politique était extrêmement variée également par le nombre, par la richesse. Vous voyez un tout petit pays -- Singapour -- dont les participations sont d'une très, très haute qualité. Je dirais la même chose de la Jamaïque et de bien d'autres, alors que des pays plus nombreux ou plus grands géographiquement sont peut-être moins intéressés à discuter certains items à l'ordre du jour. Alors la grandeur n'a rien à y voir. Au contraire, c'est la possibilité de s'influencer les uns les autres, ce qui n'arrive à peu près dans aucun autre des grands forums. Aux Nations Unies, on se lit des textes d'une tribune distante. Sans doute y a-t-il des arrangements, mais ici, ce qui était bon dans le Commonwealth c'est que véritablement on était autour d'une table, on s'interrompait, on se disait: Mais comment pouvez-vous penser cela? ou: Ne faites-vous pas erreur en disant que... Et ça risque de se perdre quand le nombre croît indéfiniment et quand les règles à propos de la lecture des textes sont abrogées.

Q. Il y avait beaucoup de choses au menu, alors on va voir ce qui a été accompli dans cette conférence. Est-ce que tout d'abord les Jeux du Commonwealth à Edmonton sont exempts définitivement de boycottage?

R. Eh bien oui, il y a eu un texte auquel tous les chefs de gouvernement ont souscrit et qui était une sorte de compromis, disons-le, entre des positions extrêmes de part et d'autre.

Q. Est-ce que ça ne doit pas être ratifié par l'Organisation de l'Unité africaine auparavant?

R. Auparavant...c'est-à-dire qu'il y a toutes sortes d'autres forums qui peuvent prendre d'autres décisions, mais ce qui m'importe à moi c'est que les chefs de gouvernement du Commonwealth, c'est-à-dire de ces pays qui devront être à Edmonton nous ont dit que si vous dites telle chose et que vous faites telle chose, vous les pays blancs, nous allons participer. Alors, je ne vois pas que ces chefs de gouvernement pourront être influencés par un secrétariat ou un autre groupe de pression.

R. Vous les considérez liés par la parole qu'ils vous ont donnée?



R. Oui, de la même façon qu'eux nous considèrent liés. Ils avaient des inquiétudes, comme vous le savez, non pas tant pour le Canada mais pour d'autres pays du Commonwealth dont ils craignaient des échanges avec l'Afrique du Sud, etc., et ils ont obtenu de ces autres pays et du Canada des engagements tels qu'eux-mêmes en ont donnés: l'engagement de participer aux Jeux. C'est un exemple je crois de la possibilité de résoudre des problèmes difficiles comme ceux qui ont ennuyé le Canada au moment des Olympiques et qui nous auraient ennuyés aux Jeux d'Edmonton. Si les chefs de gouvernement n'avaient pas dit: Eh bien, on est là nous, c'est quand même nous qui avons le dernier mot. Essayons donc de régler ce problème à l'amiable sans demander à des fonctionnaires permanents de votre organisation ou d'une autre d'essayer de prendre des positions extrêmes.

Q. A cette conférence, le Canada a été l'un des pays, sinon le pays qui a insisté le plus pour qu'on se prononce sur la question des droits de l'homme. On se serait plutôt attendu -- puisqu'on avait tous l'Ouganda en tête -- que ce soit les pays africains qui prennent le leadership sur cette question-là. Est-ce que ça peut être dû au fait que beaucoup de ces pays sont dirigés par des militaires ou pratiquent le système du parti unique et suppriment l'opposition? Ils ne sont pas très à l'aise sur ces questions-là même si le général Amin dépasse la mesure.

R. Je ne pense pas, parce que tous ces pays-là dont les régimes comme vous le dites sont plus ou moins démocratiques dans leur application avaient souscrit à la déclaration de Singapour, déclarant notre désir d'affirmer la protection des droits de l'homme, etc. Mais je pense que la difficulté était d'un autre ordre à ce qu'on m'a expliqué. C'est que l'Organisation pour l'Unité africaine est tellement attentive à la nécessité de condamner l'apartheid qu'elle ne voit aucune division parmi ses membres. Ils ne veulent pas qu'on se chicane les uns contre les autres pour d'autres choses afin de maintenir l'unité et c'est probablement l'origine de cette réticence de certains pays africains à prendre l'initiative. Mais remarquez bien qu'une fois que l'initiative a été prise par le Canada, comme vous le dites, ils en sont arrivés au communiqué que vous savez avec beaucoup de force. Je dois dire également que le Président Kaounda dès le premier jour, j'avais déjeuné avec lui et il m'a rappelé sa condamnation d'Amin dans des termes publics extrêmement violents, extrêmement forts. Alors il ne s'agissait pas d'opinions individuelles: celle de Kaounda, celle de Seretse Khama, celle de Nyerere, et de bien

d'autres étaient acquises. Une condamnation totale du régime d'Amin. Il s'agissait de savoir si dans un groupe, ils devaient prendre l'initiative qui est un peu divergente de celle de l'Organisation pour l'Unité africaine.

Q. Le secrétaire du Commonwealth, M. Ramphal, un homme plein d'enthousiasme, au début de la Conférence il a émis un souhait qui paraissait un peu fort. Il disait: La Conférence nord-sud a connu un demi-échec. Nous, du Commonwealth, nous représentons des pays riches, des pays pauvres, nous pourrions faire une espèce de projet-pilote basé sur le rapport McIntyre, un projet de coopération entre les pays riches et les pays pauvres. Est-ce que ça s'est concrétisé à cette conférence du Commonwealth de quelque façon?

R. Bien, je n'ai plus en tête le projet-pilote précis auquel il pensait, mais il y a des projets-pilotes...

Q. Prévoyant notamment un fonds de stabilisation auquel les pays riches pourraient participer.

R. Bien, je le répète: il y a des projets-pilotes notamment dans le domaine de la coopération industrielle que nous avons mis sur pied et que nous allons poursuivre. Pour ce qui est du fonds commun, là il ne s'agirait pas d'un projet-pilote. Il s'agirait plutôt d'un fonds considérable auquel tous les pays adhéreraient et je ne sache pas que le Secrétaire-général ait voulu dans ce domaine-là que nous prenions des actions décisives. Je crois que son idée était plutôt de faire comme nous avons fait après la Conférence de Kingston, en Jamaïque, de nous assurer que de nos experts pourraient avancer les idées un peu générales qui ont été adoptées et exprimées à la Conférence nord-sud de Paris. Il y a là des intentions, il y a effectivement également des mises sur table de sommes considérables. Je crois que ce que le Secrétaire-général veut obtenir c'est que nous menions l'étude de ces projets un peu plus loin au sein du Commonwealth de sorte qu'aux Nations Unies lorsque la question sera reprise ou à l'UNCTAD notre apport soit déjà visible comme il l'a été à la session spéciale des Nations Unies de '75, après la Conférence de Kingston en mai '75.

Q. Monsieur Trudeau, le Commonwealth est une assemblée d'états souverains, indépendants. Est-ce qu'il y a possibilité au sein du Commonwealth de participation des provinces canadiennes dans les différentes activités du Commonwealth comme ça existe je crois pour l'Agence de coopération culturelle et technique -- ce qu'on appelle la francophonie?

R. Oui, bien sûr. La chose est prévue. Je ne sais pas s'il y a des règlements précis du Secrétariat, mais j'ai moi-même connaissance de plusieurs occasions où les provinces ont participé par exemple à la délégation des parlementaires du Commonwealth. Lorsque j'ai des rencontres à Ottawa, il y a souvent des parlementaires des législatures provinciales qui sont présents. Je pense certainement aussi que lorsqu'il y a réunion sur des problèmes d'éducation, les délégations canadiennes et probablement des autres pays contiennent des représentants de leurs provinces ou de leurs groupes intérieurs.

Probablement qu'à la Conférence des juristes, il y en aura une à Winnipeg l'été prochain, je suis convaincu que s'il y a des provinces qui veulent envoyer des représentants au sein de la délégation canadienne nous serons très heureux de les accueillir.

Q. Est-ce que vous avez été informé de certaines approches que le gouvernement du Québec auraient faites auprès du Secrétariat du Commonwealth?

R. Oui, on m'a dit que M. Michaud, je crois, aurait rencontré M. Ramphal, le Secrétaire-général, et que tout cela s'est très bien passé.

Q. Le Québec n'aurait pas demandé de statut particulier, statut spécial au sein du Commonwealth?

R. Je ne sais pas. Les versions diffèrent mais l'important c'est que le Commonwealth est bien d'accord qu'il s'agit d'une réunion de pays souverains et non pas d'entités à l'intérieur de pays souverains. Mais je ne peux pas dire quelle teneur a eu leur discussions.

Q. Mais vous seriez favorable à la participation des provinces à l'intérieur d'une délégation canadienne dans les différents forums?

R. Ca existe déjà.

Q. Je vous remercie.







Chairman

President

OTTAWA K1A 0N2

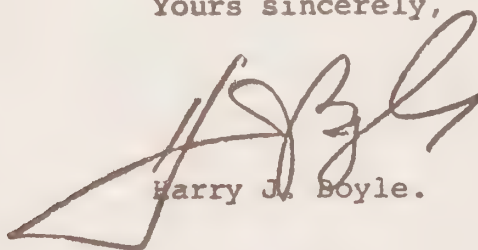
June 23, 1977

Dear Mr. Prime Minister:

I regret to inform you that the report of the Committee of Inquiry regarding the CBC will not be available until July 20. The research staff and Committee have found the work involved to be difficult and time consuming. In addition, the Commission has had a particularly heavy set of hearings in the past number of weeks.

I hope the delay will not cause inconvenience.

Yours sincerely,



Harry J. Boyle.

The Right Honourable P.E. Trudeau,  
Prime Minister of Canada,  
Prime Minister's Office,  
Ottawa, Ontario.  
K1A 0A2



Canadian Radio-television and  
Telecommunications Commission

Conseil de la radiodiffusion et des  
télécommunications canadiennes

Chairman

Président

OTTAWA K1A 0N2

le 23 juin 1977

Monsieur le Premier ministre,

Je suis au regret de vous annoncer que le rapport du Comité d'enquête sur la Société Radio-Canada ne sera pas disponible avant le 20 juillet.

Les recherchistes et le personnel du Comité ont trouvé le délai fixé trop court pour l'énormité de la tâche. De plus, au cours des semaines qui viennent de s'écouler, le Conseil a tenu de nombreuses audiences et a été surchargé de travail.

J'espère que ce retard n'amènera pas de contre-temps.

Je vous prie d'agréer l'assurance de ma très haute considération.



Harry J. Boyle.

Le très honorable P.E. Trudeau,  
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TRANSCRIPT OF THE PRIME MINISTER'S PRESS CONFERENCE  
OTTAWA, JUNE 29, 1977

TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
OTTAWA, LE 29 JUIN 1977

Q. Mr. Prime Minister, I wonder whether you are in a position to outline or explain the new role being undertaken in your government by Jean-Luc Pepin as a National Unity Commissioner of some sort.

A. No. Actually I had hoped to make that announcement next week. I had planned to make it this week had the national unity debate taken place in Parliament. At the request of the NDP and because of the Convention we postponed the debate one week. I prefer to wait one week until the subject is ready for announcement.

Q. I wonder whether I could ask you for your personal feelings on freedom of information. There were five options outlined for an appeal procedure, one of which is an appeal to a judicial body of some description. The writing of the document on the paper we were given today, the arguments pro and con, and the arguments against it seem to outweigh it considerably. I am wondering what your feelings are on having a judicial appeal.

A. I am wondering if I gave my opinions whether you would not be crying tilt. We published a green paper so that people can discuss the various options. If I were to say my mind was made up and we have chosen one option, people would say, "What is the point of discussing it?" This is not consultation, that the government has made up his mind. The Prime Minister has made up his mind and said such is so.

If you read the paper you will see that in the balance of arguments, pro and con, we have some feelings we want people to consider. We have not made up our minds finally on this yet. We want people to very seriously consider the pros and cons of the various options.

I can discuss this further, but I think it would be improper and inexact if I were to indicate a choice now, because the choice has not been made by the government. It would be improper because it would indicate that consultation is just a sham which you know it is not.

Q. Would it be, sir, a misreading of the way the document is drafted to conclude that the government does not consider a judicial option a particularly viable one?

A. Are you not asking the same question from another angle? You want to know what the government's views on these options are, and our views are as we set them out in the paper.

Any final choice will be made after we have had proper and informed discussion on these options.

Q. Would you outline the terms and conditions under which Canada might be prepared to participate in a peacekeeping force for Rhodesia, and tell us whether it is correct that Canada has become more receptive to this idea in the last couple of months as opposed to the idea of simply a civilian presence?

A. No, I think it would not be exact to say we have become more receptive in the past few months. Our thinking is the same as it was three years ago in 1973 when we had the Commonwealth Conference in Ottawa. This idea was put forward then.

We do not want to send our men there. We do not believe in joining the fighters in Africa. We believe Castro made a mistake in sending an expeditionary force to Africa and we think we would make one too.

There are conditions where Canadian soldiers do keep the peace, but that is after an agreement or truce has been reached by both sides, which obviously is not the case between the guerillas and the Rhodesian authorities now.

If peace were to come and the fighting were to stop, then, I suppose we would consider under the United Nations mandate any request to send peacekeeping troops there, but not while the fighting is going on.

This is more or less the same position we took at the time of the last military presence from Canada in Vietnam. At the request of President Nixon we agreed to go there for three to six months to give them time to establish that peace did exist, but when we discovered peace did not exist, we withdrew our forces.

So, we would not send them into Rhodesia or any of the neighbouring countries under those circumstances.

Most of the discussions at the recent conference in London was about a civilian presence, not a military one. I do not know that even the African countries, members of the Commonwealth or otherwise, are asking other countries such as Canada -- particularly from other continents -- to be there in a military capacity. I have no recollection that they have asked that of us.

The discussion, particularly in recent months, has been the kind of initiative which Mr. Callaghan and Mr. Kissinger were discussing a year ago, that is, some kind of presence, some kind of fund to which we would contribute, and some series of experts which we might send over there to help them once peace has been established and the transition has begun to take place.



Q. On a point of clarification, the civilian presence, I take it, would also have to come after the truce has taken place? It could not take place without that?

A. It could not. That is why I made it quite clear in London that Canada was supporting the British government and the foreign minister's, David Owen's initiatives, and we hoped they would be successful.

In other words, we did not exactly blame the guerillas or those supporting them, but we said we still hoped the David Owen initiatives would be successful and that there would be a peaceful transition to majority rule rather than one which would be the result of violence. You will recall I said that this would lead to the kind of destruction in the country of its infrastructure and superstructure which would make it much harder for an independent Rhodesia or Zimbabwe to progress from.

Q. Mr. Prime Minister, opposition parties have accused you of using the Canada Day celebrations for your own political purposes and particularly as a launching pad for an early general election; would you like to comment on this?

A. Gladly. I am really an innocent bystander in all of this. Only last night was I given the kind of scenario for July 1st and what role I would play in it. I will say quite candidly that I was not consulted. I do not believe my staff was determining in any sense any particular role I was to play.

First of all, it should not be a launching pad and it should not be considered one. Hopefully an election is not in the offing, but I can certainly understand those who would object to it being used as a partisan political purpose. I would not involve myself in it as a partisan politician purpose, and certainly I would not make any kind of political speech.

Whether or not I should talk to that kind of an audience about national unity is a debatable question which is not settled in my mind. As I said, I just heard about it last night. I asked that my role be reviewed and the role of other party leaders be reviewed before my participation would be determined.

In a sense it is a legitimate concern of, on the one hand the politicians, and on the other hand the organizers. I think it would be very boring and counter-productive if four party leaders and a fifth former Prime Minister were to give speeches to an audience who were going there to have fun and express its feelings about Canada.

I suppose ideally the Governor General should be making the speeches, but he is not in a position to do so. Whether the Prime Minister should be saying anything or not

is a debatable question which I have not solved in my own mind.

Q. When you say the roles are being reviewed, does that mean the opposition leaders may speak?

A. I have been informed there is some talk between the organizers of the celebrations and the leaders of the other parties regarding whether they could be involved in some way or another. I have no details of that or their response, but I hope by tomorrow morning I will and that a final decision can be taken.

Believe me, I am not at all anxious to speak to an audience which is interested in having a good time and expressing their belief in Canada. That is like getting up and making a speech to people who came to see a hockey game. It is not a good place for politicians to make speeches. If my duty commands, I may consent to say a few words.

Q. Mr. Prime Minister, you will be seeing the German Chancellor next week in Vancouver and have discussions with him in Ottawa. Could you tell us some of the topics you will be discussing and whether there are any special problems Canada will bring up in these talks? Can you tell us about the latest situation regarding the export of uranium to Europe?

A. I speak conditionally because I am not quite sure the agenda has been agreed upon finally between both sides. I can express my own views on this without binding the Chancellor in any way.

I hope very much we will be talking about the economic situation in the world. In other words, we will take some occasion to follow up on the London Summit. I am very interested in exchanging views with the Chancellor on that. I am also very interested in getting his views on some subjects about European politics. I am thinking particularly of the subject of Euro-Communism. Chancellor Schmidt is a very well informed politician and a very sensitive European. I am personally interested in hearing his views on that.

The second question you asked I know will be discussed. I have suggested it be put on the agenda and I am sure the Chancellor himself will want to put it on the agenda. It is a question of not only uranium shipments, but the whole follow-up on the Canadian position on nuclear safeguards which was, as you know, discussed at some length at the London Summit. I think it will be important that we follow up on that discussion.

Roughly, those are the three subjects I am most interested in, two international ones and one bilateral one. The bilateral one has to do with our safeguards, the United

States' safeguards and Australian safeguards as they affect consuming countries. That is also international.

The bilateral questions, I am not quite sure what they will be. I am sure we will have a list of things we should look at together, but I do not have any list of them. Are there any outstanding bilateral problems which have to be solved? I'm afraid I'm not informed at this stage.

Q. Any skeletons in the cupboards.

A. No, not in ours. I do not know about the German cupboard. I think not.

Q. On the way over here a couple of your caucus members asked me to ask you about an election. They obviously smell something in the wind. Is this an option you are still considering for the fall?

A. I told the caucus what I have told you. I do not plan an election for the fall, however, they should always be ready for one. That is why they are hoping I will tell you more than I told them, but that is rather unlikely.

Q. I wish to ask a question about a mutual acquaintance, Keith Davey. It is rather hard to be critical of someone trying to extend the role for harness races and green plants in Canada. I wonder whether there is a special distinction that can be made in regard to a conflict of interest and association for Senators. I will put it in this form; it is hard to imagine any special interest group approaching Senator Forsey or Senator Goldenberg for some kind of advantage or access to authority, but it is not the same situation with Senator Davey. I wonder whether you are satisfied that there is enough protection in the present conflict of interest rules as a result of the situation which Senator Davey finds himself in as a result of the publicity for the Bluewater Racing and the tropical plant firm?

A. First of all, Senator Davey is not a member of my administration. I do not hold myself responsible for what he does or does not do. Secondly, Senator Davey is a member of the Senate. I understand he made a statement in the Senate indicating that he was abiding by all the rules and regulations relative to conflict of interest and that he was very happy to state his position and to answer any questions.

If there is some question of a conflict of interest of a Senator, I think the Senators should raise it and debate it as if it were a member of the House of Commons. If that were the case, I am sure it would be brought before the Committee on Privileges and Elections.

Q. My question really relates to the specific matter of a Senator who is engaged very deeply in party activities. One of the Senators at the present time has a case before the courts. The assumption is, it may be just gossip, but it is alleged that Senator Davey is a close and important advisor to you on political matters and strategy. It seems to me there could be, perhaps, a special responsibility on Senators with that kind of role with regard to this whole question of outside interests.

A. I do not think so. If Senator Davey were to do something dishonest, or indeed if he were to come in conflict, or to lack respect of the conflict of interest guidelines as they are applied and interpreted in the Senate, then obviously I would not want him to be actively associated with the party or actively associated in giving any advice to me on political or other matters.

I understand Senator Davey answered in some detail the allegations. He indicated that he has complied to the best of his ability to the guidelines which the Senators do adhere to. It is not unheard of that Senators are directors in various companies, apart from growing plants and racing horses. This is nothing new, senators have directorships. The question is before Parliament now as to whether they should or should not be allowed to have directorships. Until they are told they should or should not, Senator Davey is in the same position as, I suppose, 99% of the Senators or perhaps 95.

Q. I gather from what you stated regarding Rhodesia that you have heard no new proposals as to what Owen or Grant wants Canada to do?

A. That is right.

Q. My question is this: on the EPO list, which seems to have all of a sudden ceased to exist according to Mr. Fox in the House ---

A. The EPO list?

Q. The Extra Parliamentary Opposition list.

A. I cannot say I never heard of it. It is not a catch word.

Q. This has been a subject in Parliament for the last four or five months, and no one has denied it until today when Mr. Fox said, in effect, he knew nothing about it.

Is the government saying there is no help for the 21 persons on this list in clearing their names?



A. I have dealt with this matter at some length at previous Press Conferences; however, I will try it again.

The police in this country, the security and intelligence branch are, as they should be, trying to make sure that anyone who is working for the government is in total loyalty to that government.

They are also trying to obtain facts and data on people who might be a threat to the security of this country, so they do have files on people. Once in a while they tell the Minister that such and such a person who has arrived in this country is a security risk and advise him to get rid of him or deport him. They might also say that so and so is a security risk and he is working for the government and you should be aware of this and make your colleagues aware of this.

All the Solicitor General did at that time was take a list given to him by the police and say, "I have these names. Some of them are working in your department. I feel it is my duty to pass on the information which the police gave me, that is, that these people might be a security risk."

So far I do not see anything abnormal. When I name a Parliamentary Secretary, a Minister, when I name a person through an Order-in-Council appointment -- except some very banal ones -- I always check with the police or security officer of the relevant department to see if there is a security clearance. If the police say this person has a record, he is a security risk, either I do not name him or I have someone examine him to double check the police information to determine whether he is a risk or not, or that it is not some foolish thing that he did in his youth such as go to Moscow for an economic conference or something queer like that.

This is normal. The police do give me names and they also give names to the Solicitor General. That we act on them is not only our right, it is our duty. We take into account information which we get from the police.

Through some accident -- I should not call it an accident because these names were deliberately leaked to the Opposition, and from them. I take it, to the media. If the media or Opposition make these names public and some damages are caused, surely it is the authors of the leak or of the publication who can be made responsible for the damage and not the government. That is the way I see it.

We regret that any of this information becomes public, but the existence of the information can be surmised.

I have always said it is likely I had a pretty long file with the police before I came into government. Had some of this been leaked deliberately by a Minister or policeman, I do not know what I would have done. Perhaps I would have been justified in blaming them, but if it is made public by a newspaper and it causes damage, I think the newspaper can be sued for damages. I do not know what the

courts would decide on this. That seems to me a pretty straightforward position.

Q Je veux simplement vous demander quand est-ce que vous serez en mesure d'annoncer la nomination du commissaire aux Langues officielles?

R Eh bien, monsieur Spicer voit son mandat se terminer, à sa demande, du reste, à la fin de juillet, et nous voudrions, avant que les Chambres n'ajournent, pouvoir adopter une résolution indiquant quel est son successeur.

Je dois vous avouer, en toute candeur, qu'il n'est pas encore trouvé. Alors, je ne peux pas vous dire quand on annoncera son nom, mais vraisemblablement, ce devra être avant la fin de juillet.

Q. In your Canada Day message you talk about a marvellous rebirth of the nation and a rededication of spirit. I am wondering whether you could give us an idea as to how you see this rebirth coming about in Canada and the general impressions you have as to what kind of new Canada this rebirth is going to produce?

A. In response to the first part of your question, I suppose the best I could do would be to say quite candidly that I have the impression that I have heard more people talk positively about a concern for Canada, and positively about the future of this country, I have heard more people say that in the past six months than I have in the past previous sixty years of my existence.

In this sense I believe that there is an increased concern and there is a willingness on the part of Canadians to rededicate themselves to this nation, and an involvement in it and its destiny which is, I suppose, largely the result of the Parti Quebecois' election in Quebec on the 15th of November. As to what kind of a nation will emerge from it -- well, you have heard my goals for Canada. They have to do with a bilingual country and a multi-cultural society with a federal form of government and an entrenched Bill of Rights with the Constitution amendable in Canada and so forth.

It also includes a more prosperous economy and so on. On this subject one can only talk of general goals and appeal to all Canadians to work together to build this better country. Except in a long speech which I'll attempt to make on the national unity debate next week there is not much more I can say in a crisp answer to a crisp question.

Q. Mr. Prime Minister, your Minister of Industry, Trade and Commerce has indicated that he might be able to fight the national unity issue a little better if he becomes involved in politics at the provincial level in Quebec. Has Mr. Chretien talked to you as he said he was going to do, and have you tried to dissuade him from doing this, or if he does not talk to you, do you intend to try to dissuade him?

A. He has talked to me about this very recently. He said to me not much more than he has been publicly quoted as saying; that is, it is a vacuum he might consider filling if, indeed, there is a vacuum.

I cannot interpret his thoughts, but I believe his position is that he is not all that anxious to go but he would go if he felt there were a call upon him to shift his battleground.

My comments to him were that I thought he was an excellent Minister, one of my best, and that I would regret seeing him leave the federal scene because he was very useful to us at this level, but that I would respect his decision when it came, whatever it was.

Q. Would you dissuade him?

A. I suppose I would use the same kind of language with Mr. Chretien as I would with anyone who raises these kinds of problems, including Ministers who come to me and tell me they are leaving my Cabinet and so on. I rarely invoke la raison d'Etat, the reason of state, or even the good of the party to make a man or woman do something which they do not feel it is their destiny to do.

I think an individual's desire to fulfill himself in a particular way is more important than any other collective call to duty, or call to any collective duty to an institution, whether it be a government, party, state, a federal government as opposed to a provincial government, or whatever. I do not attempt to make people change their minds by quoting Groleau or Péléas et Mélisandre and "Messieurs: je ne me suis jamais mis en travers d'une destinée."

Q Monsieur Trudeau, dans le document rendu public cet après-midi par monsieur John Roberts sur la confidentialité des documents du gouvernement, il y a une dizaine d'exceptions qui sont citées.

Est-ce qu'on peut considérer que ces dix exceptions sont l'aboutissement de la réflexion du gouvernement jusqu'à maintenant? Ou ne sont citées que comme exemples?

Est-ce que c'est une position arrêtée du gouvernement?

R Ni tout à fait l'un, ni tout à fait l'autre.

Il s'agit plus que d'exemples pris au hasard. Il s'agit de principes énoncés dans des domaines précis. Ils ne sont pas immuables ces principes.

Si vous les comparez, par exemple, aux principes et aux exceptions que nous avons mis de l'avant lorsque nous avons, il y a déjà plusieurs années, promulgué notre optique en ce qui concerne le dépôt de documents en Chambre, les mots sont un peu changés. Je crois que le nombre d'exceptions est moins grand qu'il ne l'était au moment de notre déclaration antérieure.



Alors, tout ça, c'est ouvert à la discussion, et ça sera orienté suivant des préceptes de bon sens.

Le Livre vert est là pour qu'on en discute, pour qu'on juge du bien-fondé ou du mal fondé de ces principes et de ces exceptions.

Q Mais, personnellement, est-ce que vous avez élu une des cinq options quant au choix, par exemple, d'une décision à prendre par le Parlement, par un commissaire qui a titre d'ombudsman, ou par un commissaire qui a le droit de...

R Eh bien, je pense que je peux vous répondre en disant que l'option finale du gouvernement n'est pas faite. C'est pourquoi c'est, à proprement parler, un livre vert.

Nous voulons que les Canadiens en discutent, qu'ils étudient le pour et le contre - les Canadiens, y compris les parlementaires et les média que nous aurons informés par notre livre vert; et nous ferons un choix après que ce débat aura eu lieu. Alors, le choix final n'est pas fait. Nos préférences ne sont pas définitives.

Le pour et le contre, tel qu'il est énuméré dans la publication, indique que nous avons des réserves sur certaines options, mais qu'il y a des avantages, par contre, à ces mêmes options-là.

Nous voulons vraiment qu'il y ait un débat informé sur ce sujet. Alors, nous regrettons que jusqu'à ce moment, on a été un peu trop enclins, dans le public, de dire: "Eh bien, ils font telle chose en Suède; ou ils font telle chose aux Etats-Unis, on devrait faire pareil".

Nos systèmes ne sont pas les mêmes. Le système parlementaire n'est pas le système du congrès ou le système présidentiel.

Des exceptions qui paraissent un peu offensantes sur papier, au fond, lorsqu'on les compare à la réalité pratiquée dans certains pays comme la Suède, on s'aperçoit qu'il n'y a pas une très grande différence.

Alors, notre but, à ce stade-ci, c'était d'informer, précisément, la discussion, pour qu'elle soit plus éclairée.

Nous espérons maintenant que cette discussion s'engagera, et qu'un choix valable puisse être fait dans la période qui va suivre.

Q J'aurais une troisième question, peut-être, dans un tout autre domaine:

Des rumeurs sont reparties, depuis quelques jours: est-ce qu'on va avoir des élections d'ici la fin de l'année?

R Eh bien, d'ici la fin de l'année, il y a un bon six mois et quelque. C'est beaucoup me demander de dire qu'il n'y en aura pas.

Mais, comme je l'ai dit à des conférences



de presse antérieures, je n'ai pas le projet de faire des élections générales avant terme.

Simplement, il faut toujours être prêt à toute éventualité, quand on est en politique ou dans le journalisme.

Q. The white paper on language last week spoke of a possible federal action to claim constitutional powers to defend minorities in the field of education. That paper had a certain urgency in its tone. Do you think there should be a quick reopening of constitutional talks, and what is the status in response to your letter of last January to the Premiers of the provinces?

A. In answer to the second part of your question I have not had answers from all of the Premiers yet, and in some cases where I have had answers, they have not been substantive. They are more by way of acknowledgement of having received my letter.

I believe there is a tendency amongst some Premiers to sort of say: we'll wait and go along with the others. I believe Premier Levesque has stated publicly that he would want to know what the others answered before he would give a position himself.

That is the best I can do in answer to your second question. It does seem to me that there is a bit of hedging or jockeying for position insofar as who is going to make the decision to reopen the constitutional debates.

Now, that answer, in a sense, is a part answer to your first question. We certainly could not out of context just say that the Constitution should be amended next week or even in the next few months to give the federal government jurisdiction over education of linguistic minorities, because we do not think that that would be a realistic approach.

What we state in the white paper is that our main concern is that minority rights of the English speaking Canadians in Quebec and of the French speaking Canadians in the rest of Canada be protected. One way of doing it is to give the federal government jurisdiction over those minority rights. We do not think that would be easily obtained, but we have made our position known to the various provincial governments, and there has been some discussions at the official level. On the constitutional amendment which I just mentioned, I cannot say there has been any volunteering of giving up the jurisdiction by the provinces to the federal government, but there appears to be a growing inclination by the provinces to accept a greater responsibility as regards serving their linguistic minorities of the other official language, at least at the school level, and hopefully this process will continue maturing over the next few months and we will see action by the various provinces.

So, it may be that if Bill 1 is very seriously

amended, or if the other provinces make some serious steps in protecting or ensuring the rights of the linguistic minorities in their provinces that a constitutional amendment will not be necessary.

We are saying that, since we believe in freedom of choice of the parents for the language of their children, that either the provinces should move in that direction or give authority to the federal government to protect those rights and to pay the shot for it. That is the essence of it.

I am not sure if I should not use this occasion to repeat some of the things I said last week at my Press Conference, because I realize there is a great deal of confusion, not only amongst the public and the media, but even within our own caucus. I realize we are, in good measure, to blame for that, because the language of the white paper, while I might say I find it beautiful in many parts, is not always clear as to what we mean by a delay or a catch-up period in terms of protecting the linguistic minorities. I think it is essential to keep in mind that it does not affect, in our minds, English speaking Canadians in Quebec or English speaking Canadians in Canada who move to Quebec. In our view they should have the right to send their children to English schools if they wish. Therefore, the delay does not apply to them. It applies in a sense to other provinces who have not got enough schools and teachers to give these same rights to French speaking Canadians in their provinces.

I will not take up the time of the Press Conference, but I think we have been somewhat faulty in not making that clear. I hope the Secretary and myself did clear it up sufficiently last week, but before a whole erroneous set of impressions gets around, I hope the media will help the government make its position -- which was not clear -- much clearer.

Q. Is it correct to conclude from what you said a while ago that you now feel that going to the Moscow Conference was youthful foolishness?

A. If there were such a thing as points of irony, I should like to put them in my text from time to time. I was not completely serious in saying that. I enjoyed that conference very much. I made acquaintances there which I still keep to this day. Professor Cairncross whom I saw in London, and who is now a Don at one of the Oxford Colleges, I met there and have kept in touch with him ever since.

No, it was not foolishness; it was a bit of fancifulness, perhaps. I was not a really highly rated economist in those days, but I was one of the few prepared to stick out his neck and go to Moscow. Today a lot of people would volunteer.

Q. A few years ago a member of your staff implied to a university class that the Canadian Airborne Regiment was

number of French Canadian people there, and to bring in the bilingualism program a little stronger there. If that is true, sir, can we assume that the move back to Petawawa of that regiment means that that role is over?

A. I have no knowledge of the earlier explanation and I can reach no conclusions on the latter part of your question. I do understand seriously that they are making great progress in Alberta as regards the acceptance of French as the other official language. There are not dozens and dozens but there is something like a dozen schools in Alberta now which are teaching French as part of the basic curriculum -- as the first language. No doubt some progress has been made. I doubt very much whether the military made the decision to have that move just on the basis of the language argument. It was a recommendation by the Chief of Defence Staff. It was not something we cooked up. It was an attempt by the military people to try to close some bases in order to save money so they could spend it better in other places and also to redistribute the forces across Canada in a more useful and balanced way.

Q. I am still having a great deal of difficulty making any sense out of this matter of Mr. Roberts' statement and the language white paper. In his accompanying statement to the paper and his Press Conference Mr. Roberts made it very clear that in his view delays in applying equality of language, or full freedom of language education for the English speaking community in Quebec were acceptable as long as they were temporary, and you seem to be saying now that the real intention was only to apply to other provinces.

I suppose this question arises as a result of that; did Mr. Roberts, in his statement and his comments made here, speak with the approval of you and the Cabinet as to what he was going to say?

A. I am very surprised to hear you quote Mr. Roberts to that effect. I am a little bit astounded by this. I am not sure he has been quoted exactly, perhaps this is an argument you and I can look at.

Q. I asked him the questions, sir; those are the answers he gave me.

A. I am just trying to guard myself against saying that I disagree with Mr. Roberts until I see what exactly he said.

Certainly the Cabinet position is that deferment of the principle of freedom of choice does not apply to English parents in Quebec, does not apply to English parents in the rest of Canada moving to Quebec. Anything said by Mr. Roberts to the contrary could only be the result of a misunderstanding, not of the text of the White paper, not the position of the Cabinet. On the contrary,



it would not make sense, if I can say with respect, to take that position because as far as the English parents in Quebec are concerned, even Bill 1 does not take away the right of choice from them. It would be nonsense for us to say that right should be deferred. They have it now and even Bill 1 does not take it away from them.

Insofar as English speaking parents coming from other provinces into Quebec, it is contrary to what we have said on many, many occasions as it applies to our decentralization policy. Mr. Chretien said this publicly, he said it in the House of Commons, he said it in Quebec, elsewhere and so have I.

Our decentralization of public servants to Quebec will only take effect if Quebec permits the English speaking civil servants going there to send their children to English schools.

The two cases of English speaking in Quebec and English speaking in the rest of Canada moving to Quebec, the principle of freedom of choice should be absolute.

Of course, you will remember what Mr. Levesque's and Mr. Laurin's answer to us was, that was, "You are saying that for English Canadians moving to Quebec, what about the French Canadians moving out of Ottawa to other parts of Canada?" We have said the same thing would apply there. We will only move them in any significant numbers if there is provision for schooling of their children in French where they move. That is why, in the largest move that was announced, that is the one to Charlottetown, we obtained from Premier Campbell the promise that French speaking employees of Veterans Affairs moving to Charlottetown would be able to, in effect, send their children to French schools.

There must be a terrible misunderstanding in the way Mr. Roberts said it, because it is so far removed from our thoughts that any deferment would apply to English speaking Canadians that I would gladly go through it again any number of times to let people get this right.

The only point where deferment appears in the white paper is after the paragraph where we talk of immigrants. Of course, as we have said many times, it applies necessarily to French speaking Canadians in other provinces where the schools and teachers do not exist. We say the principle is absolute; they should be able to educate -- when numbers justify it -- their children in the language of their choice. But, in fact, the schools historically, and we think regrettably have not been set up, and we are talking now with the provinces and hoping, if necessary, to get a constitutional amendment to make sure that the schools do exist in the future. It cannot happen overnight in the other provinces, therefore, deferment may be necessary, but it can and does happen overnight in Quebec and therefore deferment is not necessary.

Q. May I ask you a quick supplementary which was really my original question and that is, did the statement made by



Mr. Roberts, the written statement distributed in conjunction with the white paper and having those certain references to a deferment in Quebec, receive prior approval from you or from the Cabinet? There is a problem here because that says explicitly Quebec and you are saying the white paper doesn't -- you are right about the white paper but not about what ---

A. All I can say is that I read the white paper, however I did not read Mr. Roberts' statement. Insofar as it departs from what I said, it is not exact, it is not correct. I really ask Mr. Charpentier to make a note of this, because I would like to see if, in fact, he says what you quote him as saying.

I know there have been some abominable misprints. I was shown one before I came over here. There is one run in the white paper which apparently drops a negative which explains why a lot of people are confused, because without the negative, obviously it means the contrary to what we wanted to say. That was just a misprint which I understand has been corrected in subsequent runs.

Perhaps the same thing has occurred with what Mr. Roberts put out. Perhaps it was based on a misprint which was corrected immediately, I do not know.

I can assure you that the policy is as I stated, and it can only be that in common sense, because even Bill 1 does not take it from the English in Quebec, and insofar as those who move to Quebec, we made it clear so many times that we would only move them if Bill 1 was amended to give them freedom of choice.

I am very grateful for the occasion of putting this on the record once again. The understanding is regrettable and we are largely to blame for it.

Q. On a last point of clarification on this deferment issue, would you say that the white paper and also your policy accepts that the right to freedom of choice be deferred for French Canadians in Quebec, and does it accept that the right may be deferred for immigrants coming into Quebec who are non-French speaking?

A. Those, indeed, are the two points where deferment is conceivable. I want to explain that as I did in Matane. In every other case there is no question of deferment. Those are two precise and exact questions. Our answer to the first question insofar as French Canadian parents in Quebec -- well, our answer to both, actually, is that we hope any deferment won't be the product of any law prohibiting freedom of choice. We say if there is a danger and a fear of assimilation with which we do not agree, but which is debatable, and which will be debated, we say the province has the burden of proof if they think that freedom of choice in these particular cases should be deferred. We say they should first set out to prove it, and secondly, if they do prove it, deferment should not be

compelled by law, but it should be produced by incentives and so forth. That is the general answer.

In the two particular cases, what we say about the French speaking parents in Quebec is that it is very paradoxical that they would want to give themselves less rights than they give to the English speaking Canadians which is freedom of choice, but we do say it is within the constitutional jurisdiction of the province if they want to do it. I personally am a Quebecer and I want to have the freedom of choice of sending my child to a school, whether English or French, that I want. I would object strenuously if that right were taken from me.

The only way I could object if I were living in Quebec now would be to either have the law changed or vote the government out, which are two options which I encourage heartily the Quebecers to consider.

That is our position. If French Canadians themselves want to deprive themselves of this right by supporting that government and this law, then there is not much we can do about it.

As far as the immigrants are concerned, we say those who are here, whether they be Greek, Italian, Ukranian or Dutch origin, who are living in Quebec, that the principle of freedom of choice should be absolute, because they came here under certain social contracts and they should not be deprived of this right. Insofar as those coming in the future, we recognize it is not unreasonable for them to be told and instructed in the reality that Quebec is, essentially, a French speaking province, and that they will be expected to integrate into what is essentially a French speaking society. Here again we say we hope there will not be a compulsion by law to prevent them from choosing the English schools if they so desire, we just say it is not a case which we support because we do not believe that French Quebec is endangered by a few thousand immigrant children who might choose an English school rather than a French one, but we do admit that the principle of deferment can be discussed and debated and, indeed, it is this kind of argument which our Minister of Immigration, Mr. Cullen, is having and will have with the Quebec Minister of Immigration as concerns the future cooperation and the choice of immigrants going to Quebec.

They should be told that if you go to Quebec you are expected to get a working knowledge of French, and the best way to do that is to send your children to French schools.

That is the general answer to your question, but it means in the whole series of cases that there are two cases in Quebec where deferment can be envisaged, but unfortunately, insofar as the rest of Canada is concerned, we know that the principle of freedom of choice will have to be deferred because the other provinces historically have not treated their

French speaking minorities with the same, shall we say, generosity that Quebec has treated its -- and perhaps that is even the wrong word -- because historically that is the way things happen.

We are encouraged by the increasing number of provinces which are prepared to recognize this right and to plan for it in the days ahead. I just remind you that every English speaking province but two at Victoria was prepared to be bound by some such principle, by a constitutional amendment, and it was the Quebec government which prevented that from becoming part of the Constitution.





CAI  
PM  
PBI

TRANSCRIPT OF INTERVIEW GIVEN BY

PRIME MINISTER PIERRE ELLIOTT TRUDEAU

TO

JACK WEBSTER

RADIO STATION CJOR

AT

12 SERVICE BATTALION

VANCOUVER INTERNATIONAL AIRPORT

WEDNESDAY, JULY 6, 1977 - 7:10 P.M.





Webster: I'm with Prime Minister Pierre Trudeau of our nation in one of the buildings at Vancouver Airport shortly after he arrived to meet Helmut Schmidt, the Chancellor of West Germany.  
Sir

Trudeau: Sir

Webster: Welcome to Vancouver, bienvenue a Vancouver

Trudeau: Merci bien

Webster: Can you explain for the benefit of many mystified western Canadians if I can put it very bluntly, what the hell is happening in Quebec?

Webster: I put it that way simply sir because after many years of trying to understand the problem all of a sudden many ordinary people are totally confused by the various stories and the various actions that come out of both Ottawa and the Province of Quebec. How would you summarize it in a most, in your simplest manner?

Trudeau: Well I suppose Jack you have to look at what's happening in the long run, and nothing very new has happened in the long run in Quebec for years and Quebec politicians including myself for years have been saying that Quebecers have to feel that they can sense that the Federal Government and can talk to them in a way they understand otherwise they are going to be dissatisfied with being in Canada and that's nothing new to that. The only new thing is something of an accident which happened on the 15th of November and which suddenly has made so many Canadians realize that what we've been saying all along is true and that accident is that a lot of people wanted to vote to get rid of the incumbent government and in the process of doing so elected an opposition which believes in separatism.

JW: Believes in more than separatism, does it not sir? And after all we're subjected to this the desire led by the Levesque and his merry men for an independent republic totally separate from the nation of Canada. Is that not what's been hammered at us by the Camile Laurins and the Rene Levesques all the time.

PET: Oh, there's no doubt about that, Jack. That's the essence of the Parti Quebecois program that they believe that an independent Quebec, a Quebec which is politically detached from Canada would be better for Quebecers. They say essentially French speaking Quebecers.

JW: Well you don't Sir. Were you and your party not really fooled on the coarseness of the danger and the rise of separatism. Were we not all lulled into a sense of false security.

PET: Well if we have we've been keeping our eyes closed Jack. Because you know, I got into politics in 1965 because its obvious that ultra-nationalists in Quebec were moving towards a greater and greater detachment from Canada and the reason I got into politics was, along with many other Quebecers, was to try and convince Quebecers that they could be as well served by the Federal Government as they could in an independent Quebec so there's nothing new, as I say it's a very long trend affair. What is new

is that finally the separatists have got themselves elected.

JW: Well you may not have been fooled by the rise of separatism Sir, but many of us were and at the same time this very day in Vancouver in a taxi cab I say to the driver "What shall I ask the Prime Minister tonight?" Would you believe he said to me Sir

PET: What'd he say?

JW: And I don't think you can blame the media for this, perhaps we're all to blame. He said, "how come they want to stuff French down our throat. After all these years of the Official Languages Act?"

PET: Well

JW: And the official languages attitude, because I think most Canadians understand the object of the Official Languages is that Canadians of the founding nation can deal with the Federal Government in their own language. And yet the ordinary people don't seem yet to have got the basic message.

PET: Well, why don't we just ask the ordinary people and maybe a few listening to us Jack, in what sense do they think that any of our policies have the effect of stuffing French down the throats of the people of British Columbia? taxi drivers, or otherwise. How can they possibly understand that. All we're saying is that Quebecers should be able to, French speaking Quebecers and French Canadians from any other part of Canada, should be able to pay their taxes, deal with their government, visit their national capital, without having to speak English. So, that doesn't stuff French down anybody's throats, driving a taxi in Vancouver (W: no I'll agree with you entirely, Sir, but that seems to be the message that still is a residual in people's minds, excuse me) Well, all I can say is that probably the policy hasn't been explained well enough.

Webster: People who think they are not giving thought to what being a Canadian is, is that correct.

PET: Well, they're repeating a catch word, you see. They're repeating something that they heard somebody say, stuffing French down our throat. It's, you know, it's an easy thing to say in order to get rid of a policy one doesn't understand, but, you know, it just doesn't make sense. Nobody's asking the people of Canada to learn French any more than we're asking the people of Quebec to learn English. People can continue to speak the language, the official language of their choice.

JW: I want to ask you about your new Unity Commission but in the first instance, Sir, even for those who from this far distance follow affairs of Quebec quite closely, as closely as we can. Is it not all been exacerbated by Bill 1? There has been action supported by nearly all the politicians of Quebec to deny the minority there, the full freedom to educate their children in their official language.

PET: Well, let's be clear on this Jack. Here again there may be a lot of ignorance and prejudice at play. You know we don't support Bill 1. We think it's a bad Bill in many ways and we said in what ways we think it's a bad Bill. But the Bill, even as bad as it is, doesn't prevent English speaking Quebecers from sending



5 -  
their kids to English speaking schools. It doesn't apply and, therefore, the main attack on Bill 1 has been misinformed to that extent that it says that it's taking away from parents, English speaking parents, the freedom of choice. It's going to force them to precisely stuff French down their children's throat. That's not true. Bill 1 does not say that.

JW: Does it not place some restrictions on who can go to English schools, English speaking schools?

PET: Yes, it does.

JW: Is that not an interference with a basic inherent right for any Canadian?

PET: Well, I just repeat that we disagreed with some aspects of Bill 1, but I'm pointing out the main reason why a lot of people are attacking Bill 1, and it's not a right reason. Now you're giving a good reason and of course we support you on that and the Federal policy has been to say that for Canadians from other provinces going to Quebec, they also should have the right to send their children to the schools of their choice. But, once again you just have to reverse the tables a little bit and the French speaking family moving to Vancouver can't send it's children to a French speaking school and what the proponents of Bill 1 say, well we're doing the same thing in Quebec. If you move to Quebec, you've got to move into a French society. We're not stuffing French down your throat, you don't have to come here. But, if you come, you'll have to realize that you're talking in a French society.

JW: Of course, it's much more noticeable in Quebec because of the much larger numbers of the minority involved. I mean, a million odd (PET: yes) a few hundred or a few thousand, here and there.

PET: Well, here and there. You add them up, Jack, and you get to one million French speaking Canadians in Canada outside of Quebec. The same as, same number as the English speaking Canadians in Quebec. They are spread around much more.

JW: But is that not where we can expect in fairly short order firm action from the Federal Government of the country. If that is the injustice which must be corrected, why can't, I know the technical details, but surely you would like to see that corrected forthwith.

PET: Well, yes we would like to see that corrected forthwith and you'll recall that here in your very province in Victoria, in 1971, we proposed a series of constitutional amendments in steps which would have protected the English in Quebec and the French in the other provinces. So there's no doubt as to where we stand on our desire to protect the linguistic minority. But you have to remember that the constitution as it is is not as we would have liked to have changed it in Victoria, and didn't get the kind of support we wanted. But the constitution as it is gives the provinces jurisdiction over their schools. And, that is why in British Columbia and in other provinces French speaking Canadians can't get schools for their children in French.

JW: In practical terms, therefore Sir, with the Levesque as the Premier of the province of Quebec, it's impossible until his government is defeated, is it Sir, to bring about the necessary constitutional changes for educational justice?

PET: Well, there might be intermediary steps, Jack. Of course, I would like to see Rene Levesque defeated, but in the meantime Bill 1 is still just a Bill, it hasn't become law yet, and, Premier Levesque has said recently that the Bill will be changed and improvements will be brought and it's just possible that on some of these subjects the Bill will be improved. I dare say it will never be improved to the point that you and I will ever support it completely, but if it is improved I think we should wait and see what it looks like before condemning the parts that might be changed. This being said, of course, no matter what happens in the field of education or in fields of languages, it still remains that the Levesque Government believes in separating Quebec out of Canada and therefore that government must be defeated by those who believe that Quebec should stay in Canada. But, it can only be defeated by voters in the province of Quebec. I mean, you can't vote, nor can I, living in Ottawa, in a provincial election in Quebec and that's why Quebecers must do what they can, those who believe in Canada, to defeat him. But, the rest of the Canadians in other provinces must give good cause to Quebecers to believe that indeed they will be understood in the rest of Canada that you won't have taxi drivers going around saying that they're shoving French down my throat. So, all we're asking is that Quebec stay in Canada, and that doesn't ...

PET: Can we not take that as automatic, as axiomatic, because if I were to ask you, Mr. Prime Minister, what can the ordinary Canadian, taxi driver or whoever he is, really do to make people in Quebec feel that he is part of their country and their part of Canada. What in fact in practical terms can any individual do? Must we leave it entirely to your unity commissions, destiny Canada and that kind of thing.

JW: No, I think nothing indeed lasting can be done unless the average Canadian shows greater understanding towards his fellow Canadian. And, this applies to the rest of Canada towards Quebec and Quebec towards the rest of Canada. Obviously there's a great deal of misunderstanding and there have been people who have made it their jobs to foster this misunderstanding. Like people who have this line that you quoted earlier, misinterpreting what really Quebec is asking. And the same thing in Quebec, there are people who are painting a very unreasonable picture of English Canada.

JW: Is there any specific thing, Mr. Trudeau, that a Canadian should do, or merely as you say, show understanding and tolerance to these other Canadians wherever they are. There's nothing you can do, is there? Write letters to La Presse?

PET: What?

JW: Write letters to La Presse?

PET: No, no. I think the kind of things said earlier about forcing French down our throats, which had its repercussions, I

guess, in the whole cafuffle over the air controllers and air pilots strike a year ago, is the kind of thing that shouldn't happen if we don't want Quebeckers to get a misunderstanding of the rest of Canada.

JW: Again that wasn't ordinary Canadians, that was the pilots presumably in their particular fight with your administration.

PET: Well, I'd be curious to know if you, Jack Webster, were saying at that time that our administration was forcing French down the pilots throats. I'd like to know.

JW: Would you like me to answer, Sir? I said at that time when they interviewed all the pilot people, that I believe that safety at that time was the issue. Later when I was speaking, and I hate to inject a personal note, but you asked me Sir, when I was speaking to the Canadian Airline Pilots in Montreal I told them that had we in the west known that dreadful irritant and trouble that would have caused, we might not have supported them so wholeheartedly.

PET: How much later, Jack, did this happen?

JW: After the February 15, November 15, election.

PET: Well, that's the point. That's exactly the point I want to make that Canadians are now beginning to understand that there are people in Quebec who want to have a right to speak their own language. You have to realize that four million people in Quebec just don't speak any other language than French, and they're not going to learn any other language than French and they never will and they want to continue speaking French and they want to continue living as a community. And, we in the rest of Canada have to understand that those are the facts of life in Canada and if we want those people to be part of Canada we must let them fly their darned airplanes in French so long as it doesn't affect the safety of other passengers elsewhere.

JW: There is an easy way out, for me in that predicament which you have caught me sir, and that is again to say as in perhaps you're handling of some of the bilingualism implementation in the Civil Service you didn't keep the public very well informed.

PET: Well, I mean, that's an easy accusation. It's like all those who say that they agree with the objects of the policy but they disagree with the implementation. Of course, when after 110 years you're bringing a country to accept an Official Languages Act which is new to them. Of course you're bound to have some difficulties in implementing it. But, you know, it's like attacking anything because in its administration there are some few failures. You'll have to ask yourself do you understand the policy and are you prepared to support it given that there are human failings everywhere.

JW: Messrs. Broadbent and Clark would say to me right now Sir, I suspect that I've fallen into a political trap because certainly Broadbent, says very bluntly that to think of the official languages as a source of unity, the Official Languages Act is a source of unity, is an illusion, and of course we are told by the Quebecois spokesman, out of Quebec, that they don't care what language the rest of the country speaks . . . .



PET: Well, exactly, but they want to separate from Canada, they have an easy solution, and it's one which I think we must guard ourselves against. It's an easy solution, let the Quebecois speak French, let the rest of Canada speak English, we'll all be good friends, and why worry. You know, this is exactly the Swan Song of the Parti Quebecois. Let us speak French, don't worry about our little minorities which will be oppressed, you people don't have to worry about having French forced down your throat or reading on your soup cans, you'll all be English, we'll all be French, and we'll all be happy. That is a sure formula for eventual separation. We will both be living in our little ghettos, there will be no communication between us.

JW: But they would want economic association all the way.

PET: Well, that's something that the rest of Canada might or might not give to them, but they would have made their point.

JW: We must beware of that for the siren song of the simply solutions from the Quebecois, Parti Quebecois.

PET: Not exactly, there is a simple solution, it's to separate and each go our own way, but it's a solution which is simply going to break up Canada and that's why the language policy which is inconvenient and causes difficulties in administration is still a way of saying no, we want there to be in Quebec some English speaking minorities and we want there to be in the rest of Canada some French speaking minorities, so that we can consider that the whole country remains united which is a well worthwhile thing, if we can't solve a problem, or to put it differently, if in order to solve a little problem of language, and I put it deliberately in those terms, we have to bust up the country, we don't have much genius in this country.

JW: To you the language thing is key to the understanding of the whole issue.

PET: Well, it's key, don't make me say that there are not other key things. We have to have an economy which is working, we have to have to have a greater social justice for all otherwise it's not worth living together in a society. If we're going to have to live together in this country it has to be worth our while. This means that we have to have a prosperous economy, a free society, democratic liberties and we have to be able to preserve our languages in the case of the two linguistic communities.

JW: Looking beyond that, is separation, physical separation, in itself not quite intolerable, not merely unthinkable, but quite intolerable for this nation?

PET: Well, I don't think you could separate them physically. Because, the geography would always be there. But, you could put up international boundaries I suppose between Ontario and Quebec and between Quebec and New Brunswick and ....

JW: To go on the depressing side on the pessimistic side, would you say that if relationships did deteriorate and if we don't mend our fences that we could come to that?

PET: Well, of course. I think it's a very real threat. You know there is a separatist government in power in Quebec. It was



elected and it is dedicated to bring Quebec out of Canada. It's got some 69 or 70 members, some 20 or 25 Ministers who are paid in full time to go out and convince the people of Quebec that when the referendum comes they must vote to get out of Canada. Now that's not fairy tales and that's not bogey man tales, that's the reality of today, and that is the result of a whole lot of circumstances which I suppose built up over the years. But, that is the reality that we have to face now, and in order to prevent or to get a result where the majority of Quebecers will not vote to separate, but on the contrary will vote to stay in Canada, we have to do and say and act in certain ways.

JW: First you find a leader for the Liberal Party of Quebec.

PET: That's important.

JW: Because presumably in your view, Mr. Prime Minister, that is the only alternative to the Parti Quebecois Government.

PWT: Well obviously in my view it is. But, there is another party there, Union Nationale, and it is trying to become the official opposition. But, I do believe that the Liberal Party, which is still very strong in Quebec, will give itself a leader at the proper time and that that leader will be able to defeat the Parti Quebecois at the next election.

JW: Because a referendum can come into many referendums, can they not? They can try that again and again as was done in Newfoundland.

PET: Well, you're quite right. If the Parti Quebecois loose the referendum they say that they will hold another one. So, the thing to do is to get rid of them as the government.

JW: Perhaps the future of this government is keyed entirely to your success or failure in the next election, Mr. Trudeau.

PET: I'm not quite sure why you say that, Mr. Webster.

JW: I'm not saying that if you disappeared, the country would fall instantly to pieces, but if the Liberal Party is not successful in the Province of Quebec, we're going to have a country which is split three ways.

PET: Well, I'd like you to think that Jack. But, it's conceivable that the Parti ...

JW: It wasn't meant as a pleasing question Sir.

PET: Well no, but even as a forecast, if the Liberals are strong in Quebec at the next provincial election that will defeat Mr. Levesque. Now whether I have to be at that time in Ottawa or not is another matter.

JW: Sir, an unfair question, but justified, really the victory of the Parti Quebecois has been kind of a blessing in disguise for you and your government, has it not? For amid all the welter of your problems, many which I shant line up, suddenly you're back on the top again from the point of view of the national leader. Are you not tempted now, while you're on the top of the polls, to call a fall election?

PET: Well, I'd qualify a little bit your premise, Jack. If it's been a blessing in disguise for my party, that is your verdict, but I've said that it's probably been a blessing in disguise for Canada, because you know, you can hear a Jack Webster saying one thing about language policies a year ago and then suddenly after

this blessing in disguise which is the election on the 15th of November, Jack Webster begins to understand what it is all about.

JW: I don't accept that one, but I accept the analogy.

PET: This is what you told me a moment ago.

JW: About the pilots

PET: Yeh, about the pilots. If people, because of the 15th of November election have suddenly discovered what Quebec is all about, I think that is indeed a blessing in disguise. And that is why I've said that there's a tremendous tragedy in that election but a tremendous opportunity for us and that we're a great country, a country with a great future, providing we seize that opportunity and we sort of say "Well we've lived around for 110 years since the beginning of confederation, and we really have gotten along pretty well together, but suddenly we're beginning to understand what the whole thing is about and if this permits us now to build anew, to build together to soar to new heights I think it will have been a blessing in disguise.

JW: But what about that fall election, Sir? You haven't even made a slight aside on it. Are you not tempted to call a fall election? While you're at the peak.

PET: Well, what makes you think I'm at the peak?

JW: The polls sir.

PET: You don't think I can go any higher than, what is it, 43% or something like that?

JW: That would be asking a lot, Sir, wouldn't it? Especially in the west where I'm told there is still some considerable alienation about the policies of the Liberal government.

PET: Maybe it's not time to have a fall election, if there is still considerable alienation. Maybe we should wait another six or eight months in order to try and subdue this alienation.

JW: But again, the moment you, if you call and win that election on the issues of national unity and all the other problems in the country, you are then surely in a much stronger position to deal with Levesque and his government.

PET: Yes, that's an argument, but I don't see that I would be stronger having won, whether in October or November, than I would if I win again next May or June, so the whole question is knowing what is a good thing for the country in terms of having an election and do I need a new mandate now or don't I?

JW: That you have not yet decided?

PET: Well, I've said frequently that I'm not planning for an early election.

JW: So that'll be early next year, of course.

PET: Of course...

JW: As it should be. Now sir, let's look at some of the other things from the west, Sir. Many people say that Quebec, of course, is a major problem but your government must be faulty for its failure to revive the economy. Where accepting 8% unemployment nowadays is kind of normal. Do you plead guilty, Sir, to not encouraging industry in the way that you should have done?

PET: No, I don't plead guilty to that. I do realize that the economy is not performing the way we would like. We are caught

on the one hand between, with inflation and on the other hand with high unemployment and we're trying to fight both evils at the same time. We're doing that by having an expansionary policy, our last budget in March was substantially expansionary policy and we are still hoping that the private sector of the economy will step in and increase its investments and expand its plants and use the quite construction front to build more and so on, and so on. Hopefully this will bring unemployment slowly down without sending inflation up.

JW: Are you not fearful, Sir, that because of the kind of very soft spots in our economy the 8% unemployment, some resentment about the extreme generosity people feel in support of transfer payment, that this whole free market system kind of laissez-faire system such as it is even with AIB, is not going to be the answer to full employment in this country.

PET: Well, I think you've given the answer in part in your question, Jack. When we brought in controls a year and a half ago in October '75, it obviously because the natural market forces, private, public sectors all put together, private expectations, the psychology of the nation, they are producing very high double digit inflation. So, we said well, we have to bring in controls and when you have controls, you don't have a free market system. Now, we've always said that we got to use this period of controls in order to change our psychology, change approach to government spending, to private participation, and we've been using the intermediate time, as you know, to do many of these things.

JW: You're just itching to get these wage and price and controls off after your next election. You feel they have served their purpose, Sir, do you?

PET: No, I never said that. I'm not itching to get them off. I've always said on the contrary they would have to run their full course unless we have cause to believe from the leading economic decision makers that they're going to behave in a more reasonable way after the controls are off. And that we are not going to suddenly return to the kind of high expectations and inflationary psychology which gave us double digit inflation. And until we have that evidence

JW: They'll stay ...

PET: They'll stay.

JW: Even though your planning to downplay them, downgrade them as time goes on. If the economy performs, I presume.

PET: Well, of course, if the economic decision makers begin to behave in a way which is not inflationary, that would be a darn thing for all of us, because then we will be able to stimulate the economy more, we will be able to cut into unemployment without causing the inflation that has occurred in the past, and it is that kind of understanding which is needed now to attack unemployment and inflation as a double-headed evil,

JW: Just to finish up briefly - do you feel that a level of unemployment acceptable in this country now is around 8%?

PET: No, do you Jack?

No Sir, I'm asking you.

No, I said, no.

JW: No. What is? 4?

PET: The lowest possible ...

JW: A couple of disjointed questions -- just to finish because you have much to do, I know

PET: Well I meet Chancellor Schmidt in a few minutes.

JW: Can Horner win his seat?

PET: I'll tell you next time I come back if you'll invite me before five years. I'm going to Jack Horner's seat on Saturday. I'll be visiting Camrose, Alberta, I'm confident he will, but I'll have a more accurate report then.

JW: Is Jean Chretien going to be the new leader of the Liberal Party ...

PET: I have no idea.

JW: My thanks to Prime Minister Trudeau.



**TRANSCRIPT OF THE PRIME MINISTER'S PRESS CONFERENCE  
VANCOUVER, B.C. - JULY 8, 1977**

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**TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A VANCOUVER, C.-B. - LE 8 JUILLET 1977**

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**PRIME MINISTER:** Well, I would like to thank the Premier and his colleagues for being here with my colleagues and myself in making this joint announcement. As far as I am concerned, it is the first time I can recollect having a press conference with one Premier, and I think it's a very significant indication of the level of co-operation to which we want to testify by being here. We are marking the conclusion of two very important Federal/Provincial agreements which seek to promote the economic development of the Province. It is in interests of all of Canada, of course, that British Columbia has an economy which keeps growing. The direct expenditures of both levels of Government over five years will total \$170,000,000, half of which comes from the Federal and half of which comes from the Provincial Government. Of course, there will be a substantial amount of private investment which will be generated by those economic activities.

As I start, I want to particularly thank my colleagues here for the role they played in leading these agreements to a successful conclusion. Mr. Marcel Lessard, the Minister of Regional Economic Expansion, has been, of course, the lead Minister in this, Mr. Eugene Whelan has been very active, since there is one half of these agreements which go on the agricultural side and Mr. Whelan regrets that he cannot be here, but Mr. Len Marchand, the Minister for Small Businesses has been particularly active in promoting the agricultural agreement which will substantially enhance the livestock industry in this Province. Of course, I want to thank Ron Basford who, along with his colleagues from British Columbia, has been an instrument certainly central to these agreements and to other Federal initiatives here. I understand you have a long file which gives the contents of these agreements in some detail, so I will skip the details. I would want to draw your attention, however, to the fact that the Industrial Development agreement makes provision not only for the introduction of these new joint programs which are targeted for those parts of this Province outside the major metropolitan areas, but also for the co-ordination of other industrial development programs administered independently by the two levels of Government. In this connection, it should be noted that this morning Mr. Lessard is announcing the designation under the Regional Development Incentives Act of a large part of northern British Columbia. This means that Federal Incentive Grants and Loan Guarantees will be available for new investment in certain types of manufacturing and commercial enterprises, and that business generally, will be eligible for the Federal Incentive Tax Credit at a higher rate than generally applying to other parts of Canada.

Most of you are already well aware of the work and money both levels of Government are putting into determining the possibility of a major coal development in north eastern British Columbia. This announcement today of agricultural and industrial incentives is yet another critical step in meeting our primary Federal objective for British Columbia, to assist the people of this vital Province in reaping the fullest rewards from their human and natural resources.

A second area of the British Columbia economy that we are determined to improve is that of the fisheries. We announced last month a Federal salmon enhancement program. This is aimed at more than doubling the annual production of Canada's Pacific salmon with the Federal infusion of \$150,000,000 over the first five years.

The third area to which we are giving special attention is that involving transportation facilities and port development. The British Columbia Ferry agreement is one with which I am sure you are all familiar; the Federal Government in April announced its agreement with the province to subsidize the British Columbia ferry fleet operating between Vancouver and Vancouver Island, and along British Columbia's northern coast. We are providing \$8,000,000 annually to be adjusted with the cost of living and this regresses a long-standing British Columbia claim and has already resulted in lower ferry fares.

In the transportation area, we also have an agreement with the B.C. Government to improve the Northern highway network. The Department of Regional Economic Expansion and the Ministry of Transport are contributing \$15,000,000 over the next three years in a 30 million program to improve access to Northern areas of British Columbia, thereby assisting British Columbia's important forest, mining and tourism industries.

Lastly in this area, there are the new port facilities: Vanterm, Linterm and Fairview greatly increase British Columbia's port capacity.

You will have noticed that this outline of some of the steps being taken to stimulate the economy in this province is essentially an account of an unusual degree, indeed, an unprecedented degree of co-operation between the Federal and British Columbia Governments. Our objective is to help the people in this province and of Canada. It's the same aim that we are co-operating in together here this morning.

PRIME MINISTER: Voila

PREMIER BENNETT: Prime Minister, I would like to first of all welcome you to British Columbia and say how pleased we are to have you in this part of Canada with your colleagues, and how pleased we are to be able to make these announcements during your visit.

These are the fifth and sixth such development agreements to be signed by our Economic Development Department with your Government, the Government of Canada, Prime Minister, and these agreements total now \$219,000,000 in jointly funded programs which will be to the benefit of British Columbia in the areas of transportation, industrial development and of course, into the agricultural industry. The programs we are dealing with today are five year programs in the area of agriculture, range development and of course, a very necessary and large part to British Columbia, irrigation development to bring marginal agricultural lands into production.

The second program is a multi-faceted program under economic development to solve the regional disparity within our own province to try and bring some economic balance to all areas of British Columbia and as such, we think the areas of new ground that has been broken in this agreement will be of great benefit to British Columbia and I congratulate my colleagues: Economic Development Minister Phillips and Agriculture Minister Hewitt in the long negotiations they have had with their counterparts in the Government of Canada in being able to bring about such changes that we could see meeting the more specific needs of British Columbia today.

I would point out that the \$60,000,000 that is being expended by both Governments over five years in ARDA, will also encourage an additional \$26,000,000 of spending by local and individual organizations, so the ARDA program will generate \$86,000,000 worth of Federal, Provincial and local spending which increases the impact of the program substantially.

Again, I would say that there is a feeling of co-operation and a strong feeling of National purpose in coming to these agreements with the Government of Canada and we are pleased that in the last eighteen months, Prime Minister, that the close co-operation, sometimes a little heater, that we have between governments, but always with a very positive conclusion, indeed are an example for the Country at a time when



we feel that this type of co-operation and positive action is the right way for Canada and the provinces to go. So I want to say we are pleased and proud and happy and we can see a strong economic future for our Province as a result of this further agreement between our Canadian government and the Government of British Columbia.

QUESTION: I'd like to ask Premier Bennett if you have any idea how many jobs will be created with these programs?

PREMIER BENNETT: No, because it's impossible to put it into specific numbers, what it does give the Government of British Columbia and the Government of Canada is to attack areas of high unemployment and communities with help for intra-structure in developing industrial parks to solve problems in certain areas. We've never dealt with it in a numbers game, but in a way in which will deal with economic activity in specific areas of the Province.

QUESTION: Do you hope to lower it a little bit?

PREMIER BENNETT: Well, British Columbia has an unemployment rate of just over 8% -- that's unsatisfactory to us as British Columbians and I know it's unsatisfactory to the Government of Canada. What we are trying to do is do the long-term planning that will ensure a steady growth of our employment base in an attempt to solve this problem. I think we all agree that short-term programs cannot achieve the type of long-term results that we need, and as such, the areas where we've broken new ground in this agreement I think will give us a more stable base and long-term growth and other approaches that might have been taken.

QUESTION: There's reference to a newly designated area of B.C. for regional development. Can you tell us where that area is and also, does any of this money go to north eastern coal development and, if so, how much?

MARCEL LESSARD: If I may answer that one, the designation which is effective as of today in fact is mostly the north of the province. It's well described in a document which has been distributed but it's a line across the province which is roughly a couple of hundred miles north of Vancouver. It's oriented to the area of sparse population with small towns and small villages we are going to help with the designation of that area and we hope that through that destination this will help the investment and attract the investment of several millions of dollars which will help create more jobs obviously, but it's a program that will apply in the northern part of the province.

QUESTION: How about coal development?

PREMIER BENNETT: None of this -- I should let our Minister of Economic Development answer that.

DON PHILLIPS: None of this money is specifically diverted into the northeast coal development. As you know we have a \$10,000,000 agreement with the Federal Government at the present time. We are doing detailed analyses and studies so that this fall, hopefully, if those are completed and if the markets are available, we will be able to have certainly further negotiations with the Federal Government at that time to further develop the northeast coal fields that you are referring to.

QUESTION: I'm not sure who to direct it to, but I'd like to know of this 170 million if any part of that has already been committed or is this all new money and whether Premier Bennett I guess when it boils down to bottom line it's about, what, 11, 12, 16 million dollars a year that the Federal Government is giving you. Is this enough? What did you want initially?

PREMIER BENNETT: You must realize that this program is a basic program, of various parts. It's enough for what we set out to do in this program. This does not end the negotiations that will take place on additional programs that are available to us which start today. As such, this is a master plan and what we have now is the ability to further add other negotiations between the two governments to develop further areas.

QUESTION: The 170 millions though, is it all new money?

PREMIER BENNETT: It's all new money. All new money. None of this is committed. In fact, the ARDA agreement itself is on top of an extension we had in the earlier ARDA agreement of an additional \$3,000,000 there, so this is in addition to that extension. Yes.

PRIME MINISTER: We don't come here to spend old money.

PREMIER BENNETT: Used money.

Any further questions?

QUESTION: A titre de référence, j'aimerais savoir si ce programme-là qui s'applique à la Colombie-Britannique a des semblables dans les autres provinces et dans quelles proportions pour nous permettre d'établir justement ces rapports de quantité, de qualité etc..

REPOSE: Si vous parlez des programmes qui relèvent du ministère de l'expansion économique régionale, évidemment mon collègue Marcel Lessard est bien placé pour répondre.

M. LESSARD: Oui effectivement, Monsieur le Premier Ministre nous avons des programmes similaires dans la plupart des provinces de l'Atlantique, du Québec et dans les Prairies également. Nous n'avons pas exactement le même problème, le même programme dans la province de l'Alberta et ici évidemment, ces deux ententes que nous signons aujourd'hui lancent un programme qui est nouveau pour la province de la Colombie-Britannique ; mais des programmes similaires sinon identiques mais similaires parce que nos programmes sont taillés aux besoins spécifiques de chacune des régions donc, chacune des provinces. Alors, on ne peut pas nécessairement les comparer parce que elles s'adressent à des circonstances qui sont différentes d'une province à l'autre, mais nous avons des programmes similaires dans d'autres provinces du Canada. En ce qui a trait au pourcentage, et il est difficile d'établir des pourcentages, nous commençons et les sommes sont indiquées ce matin, avec la contribution de l'entreprise du secteur privé de près de 200 millions de dollars nous constatons, nous pensons que cela va contribuer à attirer des investissements beaucoup plus élevés. Forcément le fait que l'entreprise privée va se sentir aidée et la promotion qui sera faite par le travers, le biais de ces ententes va sûrement attirer des investissements substantiels dans la propre entreprise privée dans la province de Colombie Britannique.

QUESTION: Juste à titre de référence encore est-ce qu'on pourrait dire pour faire une manchette si on veut en termes journalistiques est-ce qu'il s'agit de la plus forte contribution fédérale dans une des dix provinces canadiennes, aujourd'hui ?

ANSWER: Effectivement, ce matin, les deux ententes que nous allons signer, chacune d'elles par l'ampleur des sommes engagées font que ce sont les deux plus grosses ententes dans une seule, dans une seule entente, sont les deux plus grosses ententes que nous avons signées, nous du Ministère de l'Expansion régionale depuis notre existence. Nous avons dans d'autres provinces des ententes qui sont plus élevées mais elles ont résulté par le fait que des amendements qui ont été apportés par après et qui ont accru les sommes engagées. A ce moment-là, c'étaient des sommes supplémentaires qui s'ajoutaient, mais dans un seul mouvement ce sont là les deux plus grandes ententes que nous signons avec une province au Canada.

QUES.: Monsieur le Premier Ministre, cette semaine, lorsque vous avez entamé le débat sur l'unité nationale, vous avez déclaré que les députés avaient rôle énorme à jouer pour montrer qu'Ottawa était le gouvernement des Canadiens. Poursuivant, vous avez cependant annoncé une commission ou un groupe d'études extra-parlementaire pour étudier tout ce problème-là. Est-ce que il est possible de réconcilier cette apparente disons contradiction et pourquoi avoir refusé ce comité parlementaire auquel d'ailleurs monsieur Mac Eachen pensait il y a peut-être moins d'un mois.

REP.: Eh bien, il ne s'agit pas de l'avoir refusé, il s'agissait que dans les vues du gouvernement de mettre sur pied ce comité parlementaire à quelques jours de la fin de la session aurait été perçu peut-être comme étant inutile ou un peu futile.



. . . A mon avis, il y a assez de tâches à accomplir dans cette lutte pour l'unité du pays qu'il y en a assez pour tout le monde; le groupe de travail de messieurs Pénin-Robarts et pour les députés.

S.: Monsieur Trudeau, j'ai en main un communiqué qui apparemment a été publié ce matin à Ottawa et ici à Vancouver, au sujet du rapport de la Commission d'enquête sur le bilinguisme aérien et d'après ce communiqué on dit que la Commission recommande que des services bilingues soient offerts dans les cas des vols à vue, dans la région de Montréal. Est-ce que vous avez un commentaire à faire sur cette nouvelle?

: Eh bien, vous me prenez un peu au dépourvu. Je crois que ce matin je ne sais pas quelle heure il est à Ottawa actuellement, . . . 13 heure. Je crois qu'une déclaration doit être faite aujourd'hui si elle n'a pas déjà été faite par le ministre des Transports à Ottawa donnant le point de vue du gouvernement et maintenant devant le Parlement, le rapport de la Commission Chouinard. Vous me prenez au dépourvu parce que je n'ai pas eu de communication avec Ottawa au cours de la dernière heure et je ne sais pas si la déclaration a été faite encore. Alors, il est certain que avant que je quitte la capitale il y a deux jours, le projet avait été formé que le rapport Chouinard serait déposé aujourd'hui qui allait dans le sens que vous l'indiquez.

S.: Alors donc les services de communication du gouvernement semblent assez bonx puisqu'on a déjà le communiqué,

S.: ....quoi qu'il en soit, je l'ai reçu il y a quelques minutes et j'avais une autre question que j'aimerais poser puisque ça semble un peu prématuré. Dans le cas de la mise sur pied du Groupe de travail sur l'unité nationale, ce groupe-là aura un rôle public extrêmement important. Est-ce qu'il n'y a pas un danger, monsieur Trudeau, qu'il y ait parfois certains conflits ou une zone grise entre le travail de ces hauts fonctionnaires finalement et le travail des hommes politiques?

S.: Eh bien, c'est un peu la même question que celle à laquelle j'ai tenté de répondre tout à l'heure. Il y a toutes sortes de groupes de travail qui dans tous les domaines ont fait des rapports à des ministres ou au Premier ministre dans le passé et nous voyons ce groupe de travail dans ce sens-là. Ce n'est pas pour aller à contre-courant du travail du Parlement, c'est au contraire pour informer davantage le gouvernement des différents courants, de faire les rencontres qui s'imposent, de suggérer les directions qui semblent idéales dans cette tâche de construire l'unité nationale. Tout cela se fait comme beaucoup d'autres groupes de travail l'ont fait, ceci n'empêche pas que le Parlement doive être en dernière analyse l'endroit où le gouvernement énonce ses politiques, l'endroit où ces politiques sont débattues et éventuellement adoptées.

QUESTION: Mr. Trudeau, this is the second time in less than ten years the Government has established a Royal Commission to investigate the RCMP, specifically the security service. The principle of the recommendation in the Commission report in 1969 was that the security service should become a civilian organization. You rejected that last time. Would you be prepared to accept that kind of a recommendation now?

MINISTER: Well, it's not quite as simple as saying that we rejected it last time. We didn't set up exactly the structures recommended by the Royal Commission, but we went some considerable distance towards the achievement of those recommendations. We announced then that we were creating a special branch of the RCMP which would report to a special deputy commissioner and we made it quite clear that this branch would be increasingly civil in character, in other words, that it would be detached from the police. It's possible with hindsight that the police themselves would hope that the progress towards increasing civilization or distinction of the civil side of the police from the police side had gone further and faster, but the directions we took then obviously were in the right direction in making a distinction between the criminal investigation side and the security intelligence side. We accepted the recommendation in 1969 and we still think it's a vital role and I think the events of recent months have shown that it was a wise course to follow. Whether they should be completely separate in the future or not, not even joined at the top and we decided in 1969 that they should be joined, is a matter which is still I suppose possible for the new Commission to discuss, so I don't envisage that that will be the main thrust of their research and recommendations.

QUESTION:

Mr. Prime Minister, in your trip to British Columbia the last couple of days and to Alberta tomorrow, in terms of national unity and the well-known Western alienation we keep hearing about, what I'm wondering is what effect, if any, what gains there will be from the standpoint of national unity and also, in strictly electoral terms whether it's this Fall or next Spring or whenever, what benefit the Liberal party itself expects to draw from your own entente cordiale with Mr. Bennett and Mr. Horner's newly joining your party, and your visit there, Sir.

PRIME MINISTER:

Well, no, I think this type of question can be answered with greater impartiality by people like yourself than by people like me. Obviously, we are practising Liberals and we are not hoping that my trip will be counter-productive in that sense, but when I travel around Canada as Prime Minister, it is for many purposes. I hope that the first purpose is to make the Government work better for the people of Canada and that is done by acquiring for myself, a greater knowledge of the problems and realities facing a particular part of Canada. I do, at times, visit or assist or meet with local Liberals and I think this can be helpful to the party. You've mentioned an entente cordiale with the Premier. It is true, I think, that this is the first time I've had a one-to-one press conference with the Premier, and I'm very happy as Ron Basford said earlier, it is an indication of the spirit of co-operation between the two governments and obviously, we prefer that. It is very vital to our perception of national unity about which you asked the question, that the people of Canada perceive their governments as working together and not in conflict and you will recall that just a few days ago in the House, I indicated that part of that perception would be derived from the people of Canada knowing visibly, audibly, the areas of co-operation, and when certain programs were joined, how much of it was financed Federally and how much Provincially and the co-operation demonstrated this morning in this sense, to me, is a great assistance to the feelings of British Columbians that they are indeed part of Canada and that they have a government in Ottawa which is their government and a government in Victoria which is their government, each operating at its level, but operating in co-operation, and perhaps in the past we have been, all of us, a little bit lax in demonstrating this desire of governments to work together. There has been, perhaps throughout the history of Federal/Provincial relations, a tendency to appear in opposition. It was maybe viewed as good politics in those days, but nowadays when national unity is more important than partisan considerations, there is hopefully going to be less of a tendency to act in opposition and more of a tendency to act in co-operation, and this would be to the benefit of Canadians everywhere.

QUES.: Mardi, dans votre communiqué de presse au sujet de la Commission Pépin-Robarts, vous avez mentionné que vous n'aviez pas encore nommé de cinquième membre, celui qui représenterait le Québec. Je voudrais savoir depuis combien de temps vous cherchez cette perle rare et quelles difficultés ont surgi qui vous ont empêché de la trouver ?

ANS.: Eh bien, on s'est mis à chercher le représentant, un participant qui serait québécois et francophone au même moment où on a cherché les quatre autres. Enfin messieurs Pépin-Robarts étaient trouvés depuis un bon moment, nous travaillions ensemble, mais dans les peut-être les derniers quinze jours, nous nous sommes dits, :Bon bien, ça sera annoncé bientôt, qui allons nous aller chercher dans les autres provinces? Alors, peut-être la réponse à votre question c'est il y a à peu près quinze jours. Je ne pense pas que la perle soit si rare comme vous le dites, mais il s'agit que la perle qu'on a trouvée a demandé quelques jours pour pouvoir donner une réponse. Alors, plutôt que de dire on ne peut pas attendre quelques jours, on a dit effectivement vous êtes une perle suffisamment rare pour que nous attendions une journée ou deux et je pense que ça doit être votre attitude aussi. Une perle de culture...



: Monsieur le Premier Ministre, la Colombie-Britannique est une province dont le gouvernement ne fait pas grand chose en matière d'éducation en langue française, si bien que le Commissaire aux Langues Officielles, monsieur Spicer, traitait récemment de Ponce Pilate le ministre de l'éducation provincial. Est-ce que vous ne pensez pas que votre gouvernement devrait s'impliquer plus directement dans la protection, dans la survie, dans la protection de la survie des minorités francophones dans les provinces comme la Colombie-Britannique et s'impliquer plus directement dans l'éducation en langue française hors Québec?

: Eh bien, sans me référer directement à ce que monsieur Pilate faisait ou ne faisait pas dont vous parliez tout à l'heure, je voudrais dire que j'ai déjeuné avec le premier ministre de la province tout à l'heure avant la conférence de presse et j'ai un peu parlé dans ce sens. Je ne veux pas parler en son nom bien sûr, c'est à lui qu'il faut poser les questions. Mais j'ai indiqué que une bonne partie de l'attitude des Québécois vis-à-vis le Canada dépendrait de l'attitude que les gouvernements des provinces non québécoises, des provinces qui ne sont pas le Québec, donnerait aux problèmes de l'éducation, aux problèmes de la langue, l'autre langue officielle dont vous parlez. Qu'il suffise de dire sans commenter pour lui qu'il suffise de dire qu'il y aura une réunion des Premiers Ministres provinciaux au mois d'août et que j'ai enjoint aux premiers ministres provinciaux effectivement de s'attaquer à la question du traitement des minorités francophones dans les autres provinces autant qu'ils exerceraient, qu'ils exprimeraient un souci pour les minorités anglophones dans la province de Québec. Alors, souhaitons simplement que le progrès à l'avenir dans le domaine de l'éducation et les services à donner aux minorités francophones dans le reste du Canada marqueront des progrès. Vous savez dans le livre blanc que nous avons déposé il y a une dizaine de jours au Parlement, nous établissons très clairement nos positions dans ce domaine. Non seulement nous souhaitons que les provinces agissent dans ce domaine-là, le Québec et les autres provinces, chacun pour leur minorité, chacune pour leur minorité, mais nous allons plus loin en disant que s'il fallait que le gouvernement fédéral intervienne pour se porter au secours des minorités linguistiques, nous étions prêts à le faire et nous serions prêts à accepter un amendement constitutionnel qui nous permettrait de le faire.

JES.: Vous n'en n'êtes pas au point?

JS.: Comment?

JES.: Vous n'en n'êtes pas au point d'intervenir actuellement?

JS.: Non, Je pense que nous verrons, j'espère que nous verrons qu'à la suite de la conférence de cet été des premiers ministres entre eux qu'il y aura un nouvel élan de donné à cet aspect de l'unité nationale.

QUESTION: Are you a journalist?

ANSWER: No sir, I'm not. I'm a citizen and a marijuana user and I have three questions for the Prime Minister.

I'm afraid you cannot...I'm so sorry....This is very much a press conference, you know.

I think I'd be prepared to report the answers to my questions to the press, sir, I'm not trying to be facetious.

Well, give them to me afterwards.

Well, we've asked the Prime Minister to respond to an invitation with Mr. Basford and Mrs. Holt to discuss the marijuana menace at the garden party this afternoon.

Please talk to me after the press conference.

PRIME MINISTER: Didn't think he could be a pressman, if he's a citizen and a marijuana user.

QUESTION: Prime Minister, in the last month or so, we've seen some difficulties with indifferent government departments -- I'm thinking of the R.C.M.P. situation where Mr. Goyer was not aware of what was going on. He was not made aware by his department, the A.E.C.L. case where the A.E.C.L. was acting

improperly and the Minister at that point was not aware that the Government's line was, "Gee, if they were doing this, we didn't know about it". Whatever happened to the doctrine of Ministerial responsibility?

PRIME MINISTER:

Well, in the case of crown corporations like A.E.C.L., nothing happened. It's been the same doctrine for years and years and years. Crown corporations are set up in a way precisely to avoid ministerial and "political" interference by the minister in the day-to-day operations of the crown corporation. Today as in the past, when a crown corporation is moving in a direction which the government doesn't like, it doesn't have many choices open to it. It can modify its budget or it can act on the annual report, it can change the directors in some case the administrators, so nothing very new has happened here. We have told Parliament that we are proposing in the future, and that will be for the next session of Parliament, though we've talked about it a great deal, and I believe that there will be a policy statement issued in the course of the summer which will indicate the directions which we want to follow, there will be an attempt by the government to put itself in the position where it can indeed exercise greater control over crown corporations. I hope, then, that the pendulum doesn't swing the other way and people don't object to the government giving itself powers to interfere too much in the direction of crown corporations, but under the present laws and tradition of Canada, the situation is as I've just described it.

In the case of the RCMP though it's not a crown corporation, there has been a great tradition of independence of the RCMP from the government and a tradition that was not only merited but probably justified in the sense that everyone accepted that the police had to be responsible through a Minister to Parliament and the people but there was a great deal of concern, lest the government of the day and the minister of the day, interfere at all closely with the operations of the police for the same kind of reasons. We didn't want police investigations in the area of criminal investigation or indeed even less of security and intelligence operations to be interfered with by the government of the day and I repeat, this was a direction willed by Parliament and by all governments and I think, also desired by the Canadian people. They saw their police not as above the law, but they saw their police force as operating independently of the politics of the day and this was right and proper. In other words, there was a trust by the minister of the police and its operations. Mr. Goyer, Mr. McIlraith former and successive Solicitor Generals have taken this point of view. Now, obviously, there have been events which developed of which the government knew nothing and which in some cases the hierarchy of the RCMP itself knew nothing which have shown that there have been some grave mistakes committed, at least one known one, and several others which are alleged, and for that reason, the Commissioner of the RCMP himself has suggested to the government that it set up a commission of inquiry which we have done now.

QUESTION:

In both these instances you cited, you say that the tradition is that there should not be political interference therefore the Minister would have very limited control, although there are ways the government can act. I'm wondering if you are satisfied with this -- it seems to me that there is a big difference between the minister interfering politically, and a minister keeping a very close watch on either a crown corporation which has a high degree of autonomy, or a police force which has a high degree of autonomy to make sure that nothing wrong is done.

PRIME MINISTER:

Well, yes. You're quite right. A close watch should be kept. I don't think that the events in the case of the police indicate that there hasn't been what you describe "a close watch" by the minister, but acts were committed which were so surprising and unusual that even the commissioner himself did not know that they were going to be committed and he only discovered about those acts later. So, you know, obviously the commissioner of the police has to keep a close watch on his police force, but in this particular case, people went out and did things without him knowing about it. I'm sure this can happen in any institution. There's somebody at the end of the line somewhere who does something which is not authorized by either the law or by guideline or the customs in usage.



QUESTION:

Would you think, then, it would be too harsh a judgment, Sir, to say that if the minister or the RCMP commissioner or a senior civil servant or another minister in a hypothetical case did not know what was going on, that that is an abdication of his responsibility? That's a failure on his part the same as an act of commission would be?

PRIME MINISTER:

Well, I would put it this way. If a minister or a commissioner does not know what's going on in the sense that he doesn't know how the force is being run or how the corporation is acting in general and that there's a whole pattern of illegalities or of actions which are contrary to government policy, obviously, there's a degree of irresponsibility there, a degree of inability to handle one's charge, but when it is some aberration once again at the end of the line, you know, you can apply this to any institution and ask yourself a question....if you are in a hotel and somebody down at the end of the line steals something from other rooms. It doesn't mean the manager has to be fired as incompetent. But, if there's a pattern of stealing and it happens frequently, obviously, you begin to ask him about his hiring practises. The same thing in a bank, I suppose. You read every other week about a bank teller or some accountant in some big corporation who absconds with the dough, it doesn't mean that the President of the corporation should be fired, but if everybody's absconding with the dough all the time, then you'd better change your president. There's a measure of common sense to be applied in some of these things.

QUESTION:

Mr. Prime Minister, I want to bring up this meeting that you will be holding with Mr. Schmidt. Prior to leaving Europe, Chancellor Schmidt endorsed the proposals that came out of several meetings with representatives of Hungary and the east block for using a convertible transfer ruble gold backed currency to finance expanded trade and particularly, German exports. There have also been negotiations in Germany for Arab funding of expanded trade. Will that topic be coming up in your meetings with Mr. Schmidt and can we look forward towards Canada joining the newly-emerging - they're calling it the Euro currency - gold back currencies for expanded trade?

PRIME MINISTER:

Well, I can't say whether it will be coming up or not. I do know that the agenda calls for trading matters to be discussed Monday afternoon or Tuesday morning in the presence of our Economic Minister, Mr. MacDonald, and Mr. Chretien in particular. I'll make a note of the question and perhaps it could be answered by one of these Ministers after the meetings have taken place.

Ladies and gentlemen, thank you very much.

We should have one more question on Bill I being withdrawn this morning. I feel it's only fair that the Prime Minister should comment on an important matter such as that.

It's only fair that he should know that it's been withdrawn.



TRANSCRIPT OF THE PRIME MINISTER'S PRESS CONFERENCE  
OTTAWA, JULY 28, 1977

TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A OTTAWA - LE 28 JUILLET 1977

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THE PRIME MINISTER: One Chief Justice of the Court of Queen's Bench in Saskatchewan has been appointed. Mr. Justice Fred Johnson.

Monsieur le Juge Fred Johnson, de la Cour du Banc de la Reine en Saskatchewan, a été nommé aujourd'hui Juge en Chef de ladite Cour pour la Saskatchewan.

Voilà tout ce que j'ai comme annonce.

Q. Mr. Prime Minister, I wonder if you could give us a report on the state of your physical health. It was put out by your office a couple of weeks ago that you had had a physical examination recently and it was said that you were suffering from fatigue. Is there anything more to it? Can you tell us what shape you are in?

A. Well, every year I go for a check-up to the hospital and they always tell me, "Don't call us, we will call you" if something is wrong and they haven't called me; so I suppose everything is all right. Fatigue depends on how late I went to bed the night before I guess. But I am not much different than I have always been. Is that satisfactory? Does that allay your concerns?

Q. Yes. Well there have been a number of published reports that you were suffering from severe fatigue and all that sort of thing. What you are saying is that you are feeling fine. Is that right?

A. Yes.

Q. Mr. Prime Minister, the Opposition has accused you and your government of being preoccupied with the question of national unity to the exclusion of all other problems in Canada and indeed I have tried to compile lists of reforms put off by your government and shelved and it is distressingly long.

I wonder what you have to say to the charge that you are preoccupied with national unity?

A. Well, I suppose the short answer would be that in the debate we had in the House of Commons, a two-day debate at the end of June, or was it early in July, the accusation is that I have not been preoccupied enough; that I had waited, what is it, eight or nine months after the PQ election to even bring the subject before Parliament. Certainly if you look at the important legislation passed in this part of the session I can't think offhand of anything that had to do with national unity directly per se insofar as we tried to have the best possible laws / <sup>and</sup> policies for the best possible country, I suppose everything hinges on national unity but in the specific sense / which you say the Opposition has been making the accusation, whether you look at gun control or

whether you look at our very important legislation on Immigration, on unemployment insurance reforms, and on all of the major pieces of legislation this session I can't think of any that <sup>had</sup> directly to do with national unity so I suppose at the next press conference I will be asked, well, why haven't you done any more about national unity and I suppose I will have to think of some other answer, but, that's the one for today.

Q. Well, if I may be permitted a supplementary. The charge is not that you have done so much on national unity and that you should be doing things in other areas but that you are preoccupied with national unity and surely you will concede that there have been a number of reforms, a number of areas of controversy that your government has not done anything about this past year. Just a short list. Things like divorce, abortion, marijuana, welfare, conflict of interest. All of these things have been put off, shelved?

A. Well, we had an unusually long session which went unusually late in July (although we generally sit somewhat into July) and we have passed something like (I forget the exact number) but I believe it is something like 40 pieces of legislation, several of them major. Many pieces of legislation remain on the order paper and no doubt we would have been able to put more if we had have been able to pass more but this is more a criticism of the speed which Parliament discharges its duties than the fact that we haven't been preoccupied with certain questions which haven't been dealt with in this session.

Q. Mr. Prime Minister, I have two questions. The first one deals with your view, and your government's view, of the news media in this country. The CRTC in its recent report concluded that in respect of the national unity issue at least the news media was biased to the point of subversion. Now, Mr. Roberts was quoted last week as saying (or earlier this week) that the news media only reports the bad news about the government. There doesn't seem to be anything good. You, yourself, have indicated that you feel a measure of self discipline should be imposed upon the media and you have also endorsed the idea of a press council.

All of that could lead one to ask a number of questions about how you perceive the news media and whether or not in fact you consider it almost a hindrance to you at this time in dealing with issues like national unity. Is that a factor? Are we a hindrance to you?

A. Well, like many of the subjects mentioned by the previous question, I suppose it is not a subject which I have given much thought. You will recall that my comments on the subject were in answer to a question by Mr. Allan Lawrence, I believe it was, in the House of Commons (or Gordon Fairweather, I am not sure) but it had to do with a statement made by Mr. Al Johnson, the President of the CBC, about the need for a press council and I was asked about it and I said



yes, it sounds like a good idea. I don't give much thought to that. I have, in days gone by, published some reflections on the role of the media. I suppose if really pressed, I could tell you a great deal about the importance of a responsible media in a democratic society as a very crucial link between government and the people and the importance of information and correct information so that the interface between the governed and the governors is clear and well-defined. There is no doubt in my mind the media, the Fifth Estate, in a modern democracy has an extremely important role to play and therefore one hopes that it will play it as competently and as correctly as possible.

Q. Well, if we play such an important role, are you satisfied with the role that we are playing now?

A. Oh yes. I think the media is great.

Q. Are we doing a good job?

A. Super.

Q. Are we communicating the concerns you have and your government has about national unity? Are we communicating that ---

A. To the best of your ability, you are.

Q. If I may be permitted one more question then. You have also, / <sup>through</sup> the Tellier group brought together ten bureaucrats who will sit down and try to make sure that another point of view or the other side of the government's argument to the people of Quebec and I guess to the rest of English Canada is put across as well. If we are doing a good job, why then do we need those bureaucrats doing their work?

A. Every department of government that I know of -- well, perhaps not every one -- but most of them have some information services so that the people of Canada should know what such and such a department is doing, what policies are available for the people and so on. This is done as a matter of course by governments. I don't think you can find a single provincial government which doesn't have a series of publications so that the people will be informed what the provincial government is doing. Sometimes it is in glossy magazines.

We are doing that. We always have. In the case of the ten or so officers which will be co-operating with Mr. Tellier's coordinating unit, they are going to specifically search out things which Canadians might want to know about federalism; about the kind of facts which can be put forward so that they better understand certain theses put forward by provincial governments, particularly the Quebec Government. I mean, one of the things that they published is the government's response to Bill 101 or was it Bill 1, which was made available to all the Caucus and I take it to the media so that you know what the government thinks on this. Actually, also the Minister of Finance's comments on national accounts and how he felt that spending was apportioned amongst the various parts of Canada. Also some preliminary answers to the thesis of

the PQ Government that Quebec was paying through the nose to be in Confederation and it was a matter of putting some arguments and facts forward to cast in doubt that bit of propaganda. Most of it, I think, has been picked up by the press and published but I suppose you must welcome the fact that there are people in various government departments who assemble these facts and make them available to you.

Q. It seems to me that I was away the week of the famous Harry Boyle Report, but it seems to me it was the tone of your remarks. I know you didn't accuse us of being subversive but the tone of your remarks seemed to be that we were somehow wilfully misleading the Canadian public and goodness knows we are occasionally wrong and perhaps other times malinformed but I wonder if you have had any second thoughts about the tone of your remarks particularly about radio and television?

A. You must be referring to Mr. Boyle, the tone of his remarks because he is the one who said that you are guilty of malpractice and he is the one that used "subversion". On the contrary, at my press conference, I attempted to say that, well, he must have been indulging in literary hyperbole. There is certainly nobody guilty of treason or of voluntarily dividing the country but this was his diagnosis. This is what we set him up to look into and he made a report. I was asked well he didn't condemn separatism? No, but he condemned much of the media - the electronic media - for not doing something more positive in terms of bringing the country together. You know, don't saddle me with his report. It is perhaps not the report that is flattering to the media that you would like but I didn't write it and I didn't inspire it and he didn't consult me on what to say, so it is his tone, not mine. I told you: I am very satisfied with the media. I think they are doing a great job. That's on the record.

Q. Well, in the House the remarks you made seemed to be a veiled threat. We suggested that if the media doesn't clean up its act the government will have to do it for it and in view of your well-known democratic belief, how do you propose that the media can be persuaded to follow the correct line and legislate it that way?

A. Well, not only you are quoting me incorrectly but I am afraid you are like some of the other commentators who are indulging in a bit of paranoia. You know, I was asked did I approve of Mr. Al Johnson saying that there should be a press council so that it presumably exercise some kind of discipline on the press. I said that sounds like a great idea to me because when it didn't exercise self-discipline the state -- well I didn't use the state -- but I said somebody has to discipline the press. Now you know this is the criminal code. It is there. There are laws of libel. This is the enquete on violence which I believe the Ontario Government has set up to see if the media are not propagating a bit too much violence and if so, should something be done

about it. This is the law on censorship which various provinces apply in different ways when the media/<sup>or</sup>publications of some sort just spew out pornography obviously somebody at some point steps in and it is good to have a press council I suppose to avoid the necessity of this.

This is such an old idea, but all I said was it sounded like a good one to me.

Q. Si je peux intervenir à ce moment-ci, monsieur le Premier Ministre, dans les déclarations qu'on vous a attribuées la semaine dernière, il y en avait une qui disait qu'un journaliste qui ne milite pas activement pour l'unité nationale, en fait, fait le travail des séparatistes.

Est-ce que c'était une interprétation de vos propos qui était exacte?

R. Non, ce n'était pas exact, pas du tout. Complètement inexact.

Q. Mr. Prime Minister, in the last day or so a Federal official has been quoted as saying that although you are probably not wrong in labelling some of the PQ messages to various Quebec provincial information offices as propaganda, it may not have been exactly right.

I wonder if you still stick to your original phraseology?

A. Well, I think it was rather wrong, wasn't it? I was told that the PQ had set up some ten or fifteen offices. Now I am informed that those offices were there before the PQ Government came to power. This is obviously an error in fact.

.Q. Does that mean you are giving up plans for putting as much emphasis on the Tellier information group as a counter propaganda agency?

A. Oh, come on. I suppose some of you must have noticed that the PQ Government is involved in propaganda when it publishes its accounts and says that Quebec is being robbed by, what is it, two or four billion dollars a year over a period of -- not a year -- but over a period of whatever it was, seven or eight years, because Quebec had put more into Confederation than it had taken out.

You know, I think this is a bit of propaganda which, in my mind, is erroneous and I hope nobody is shocked in Canada that the Federal Government will do something to find facts and arguments which will destroy that incorrect piece of propaganda and communicate it to the media if they want to use it or to various Canadian groups who are constantly phoning us or writing us to give them some information on this or that aspect of Canada.

Q. I wonder if I could follow that up. One of the criticisms that seems to exist in respect to the Federal response to the PQ is that their response doesn't have a fine enough focus. Are you satisfied that the Federalist



message is getting through? Do you think groups like the Tellier information group can, in fact, get it through or does it not lay you open to the type of criticism that you have been getting over the past week, that it is a waste of tax dollars to try to do that kind of thing?

A. Well, what do you suggest? Something that would be finer than that group. Maybe there is a better way of spending the dollars. If so, let's hear it. We think it's a perfectly normal function of government that somebody somewhere should assemble data from various departments and say, well, here is a case for Canada. If anybody wants to use it, here it is. We know the separatists are not extremely timid about propagandizing the case for separatism. It just overwhelms me that there should be some questioning, some indignation about the Canadian Government asking ten civil servants to gather together some information which is favourable to the survival of Canada. And it -- you know, I am not on the same wavelength as many of you at all.

Q. Mr. Trudeau, your Secretary of State, John Roberts, said that he had received a directive from you a while back asking that you set up some sort of an information mechanism. In an interview he never talked about the unity issue when asked about the unity issue and said that this information mechanism would have very little, if anything, to do with the unity question and it was dealing around this mini Information Canada --

A. It was what?

Q. It was dealing with setting up a mini Information Canada for an Information Canada type network again. Is the Federal Government involved in setting up another Information Canada or is he wrong in his interpretation of your directive?

A. Well, I should be surprised if he said what you quoted him to say, but I have been wrong before. I will see if you are correct. I have just explained what the information group was supposed to do. Ten people getting together from various departments, whatever work is being done to explain to Canadians that Canada is not such a bad place. It is largely in terms of answering the propaganda put forth by the PQ. I gave you some examples. The PQ says it is losing economically in Confederation and we asked some questions. When the Minister of Finance has another point of view to put forth, we make sure that it is available to the media and to the Canadian public. That's all it is. Now, is this more than Information Canada was doing? Well, obviously. Information Canada was a central unit which was meant to serve as an umbrella, I think, to most of the information units in the various departments and to try to improve the quality of information and coordinate it and so on.

This is under the Tellier group and the Tellier group was set up specifically to deal with the threat of separatism in Canada.



Q. Sir, this week with the decline of the dollar, questions have come up about Canada's floating policy.

A. Canada's what?

Q. About Canada's policy of floating the dollar. Will Canada re-assess it? Is there a decline now and if not, is there a point at which it was?

A. Is there a point at what?

Q. Is there a point at which the dollar float might be reconsidered? First of all, is it being reconsidered now, and if not, finance officials say there is although they get very unspecific when you try to get down to it but could you make --

A. Well, I know of no movement in the government to reconsider our present policy which is that of a floating dollar which was adopted back in 1970 and which most countries since then have adhered to.

It is letting the dollar seek its natural level. In this particular case, it means that the Canadian exporters will be given a greater chance than if the Canadian dollar was at parity with the American dollar. It is a device of the economic system to ensure that <sup>the</sup> Canadian cost and price structure which is out of kilter with our main competitors is brought down by the device of the floating dollar.

It is generally recognized that we have got a higher cost and price structure than the Americans. Therefore, we can't compete with them if one Canadian dollar is worth one American dollar. When the Canadian dollar goes down, it means that our purchasing power abroad is less high and therefore Canadians are forced by this device to live a little more within their means and it is the money markets of the world which are making this judgment. That is the policy we went to, as I say, back in 1970. We think it is a good one.

Q. And there is absolutely no consideration whatsoever of changing it?

A. Well, I am not sure what changes you would have in mind. To fix a parity and say that we will --

Q. Well, I don't want to belabour the point. I just want to get a clear statement from you if I can that there is no reconsideration of the float policy going on?

A. That is what I said.

Q. Mr. Trudeau, it has been many years since you appointed Eric Kierans to the Post Office and we are about five Ministers later and still the recurring and worsening problems in the Post Office despite inquiries and commissions and consultants and wildcat strikes and service seems to be worsening. I wonder if you know, in your own mind, what's wrong there and have you any suggestions or any hope that there might be some improvement?

A. No, I am afraid I don't know what is wrong there. I have, as you said, tried a succession of Ministers and strikes don't seem to go away. One can surmise that

some of the cause is that there has been very, very substantial technological change introduced in the operations of the Post Office and that because the Canadian population has been growing at a relatively fast rate, there has been an extension of those services into many new areas and therefore it is obviously causing difficulties in the area of management-labour relations.

I don't have any prescription. All we can do is bargain as best we can with the employees within the means that the government can afford and hope for a settlement.

Q. One supplementary. Some people see it as symbolic of the nature of government operations and the fact that they have petered out. Have you considered or have you and your colleagues considered<sup>a</sup>/so-called privatization which was sort of an okay word around here a few months ago?

A. Well, you know, if it could be done and that was the solution, we certainly would have no ideological hangups about it. I have been known to have said in exasperation several years ago and several strikes back that, you know, if the Government of Canada can't run the Post Office, what can it run?

Q. That's really my point.

A. Well, you know, maybe the answer is we can't run a post office so there is two possibilities. One is that you get rid of the government or the Postmaster General (I would prefer the latter to the former) but I don't think either of that is the solution. Maybe get rid of the Post Office and then what do people do to communicate? They use the telephone. They use private courier services and so on. The threat has been made and acted upon by large entrepreneurs in the private sector that, you know, we can't rely on the mail any more and therefore they step in and there is all kinds of delivery services between big cities.

I am sure some of you in this room have used them. I have, to get things up from Montreal, you are<sup>sure</sup>/to get them. By the mail, you know, it takes days. I think the postal workers have to realize that there is this threat to their operation. If they can't guarantee the delivery of the mail, then the state has no right to have a monopoly in that area. There will always have to be some mail service because the private sector can't possibly, in an economic way, assure the deliverance of mail or packages to remote areas. The state will always have to do something, but if all of the lucrative parts are haved off by the private sector (and we are some distance away from that) but if that is the tendency, well then I think the postal workers themselves are going to be "biting off their nose to spite their face."

I think that probably the government has a certain number of mistakes to its credit. I can't be precise but probably in the way we negotiated and perhaps in technological

change and so on but I can't believe that it is only the government that <sup>not</sup> is conducting things in a way that strikes don't happen.

You know, obviously there are people in the Post Office who are politicized and who are hell-bound for strikes and they are having them and I say eventually they may destroy their own union.

Q. My question has to do with your remark about disciplining the press. I wonder if you would take it a little further. Your remark was made in the context of discussing national unity and I had trouble understanding how the criminal code and libel laws and so <sup>on,</sup> apply to that. I was wondering if you felt that further legislation is required or if the present laws are not?

A. No. I am afraid your recollection of that is incorrect. My comments were made in answer to a question in the House of Commons <sup>about</sup> Mr. Johnson who was saying, well, there should be a press council. I think he was making a general statement. Not in the context of national unity. At least, that was <sup>not</sup> the way the question was put to me, and my answer was yes, it sounds like a good idea.

Q. Do you think further laws are required?

A. I can't think of any offhand. You know, that's a good question. Those who are afraid that we are going to discipline the media -- how do you discipline the media? You know, there are laws of liable there. I suppose you can tighten them up. There are laws of defamation. Civil laws of defamation. There is a certain measure of censorship which is exercised when excesses of sex or violence or other violent emotions are screened before children or unconsenting adults. These are laws that exist. That is why I describe it as a bit of pathological paranoia. I am not sure if I wanted to discipline the press what I would do. What would I do? You know, even under the Constitution -- there is nothing we can do about the newspapers. I suppose we could go to court more often or complain more often but in the legal sense -- cut off advertising? I think something of that nature was done by certain departments in the sense that they said that the Government of Canada shouldn't advertise in a separatist newspaper. That wasn't any legal action. I doubt whether that type of action would be applicable across the board. It certainly would be a wrong policy if you just tried to use the government's advertising ..... it would probably be counter-productive too.

Q. I wanted to get back to Craig Oliver's point. <sup>were</sup> they Mr. Boyle's words you have become fond of words like "journalistic malpractice" and "propaganda" and what it seems that you are in your discussion of national unity and the media is, by using these words to get your point across you are needlessly inflaming a sensitive situation.

A. That is very unfair. Mr. Boyle used those words



and I was asked repeatedly in the House of Commons and at press conferences, "Now, what do you say now that Mr. Boyle has absolved the CBC of any wrongdoing in the sense of separatism?" Well, how can you say that? He has used these words. I won't even use them now because I may be accused of using them too often but this is what Mr. Boyle said.

Q. I read Mr. Boyle's report thoroughly and I cannot find any reference in that report to a quote from you in the "blues" on Monday that the electronic news media have a mandate to promote national unity and that they are not fulfilling that mandate. This isn't the media. This is the electronic/<sup>news</sup>media. Now, that is something that is not Mr. Boyle's. That seems to be an idea that came from you, yourself. I am wondering if this is not a mistaken assumption or not a mistake on your part, something which you admitted to earlier today?

A. Well, it might be. Let's check what Mr. Boyle says about the electronic media and about some of its shortcomings. I won't use the words again but what shortcomings does he mean? Surely some of them <sup>when he</sup> refers to the French-English situation or to the geographic disparities in Canada, surely some of them have to do with the unity of Canada. I obviously didn't attempt to quote his exact words but it was my impression that I quoted his thoughts.

Q. I am sorry, sir, but I have never known you to be that careless in your use of words.

A. Oh well, I wasn't careless. I began by saying quite clearly that I hadn't read his report; that I was beginning to read it and that I had been pointed out certain things in it and that I saw a few headlines and got a few interpretations.

I certainly wouldn't pretend that I quoted his exact words. I am just repeating now what I understand some of this thoughts to have been and I am sure you wouldn't be careless enough yourself to say that he wasn't concerned with the role of the media as regards national unity, the unity of this country, or else what does he mean when he talks about the shortcomings insofar as getting one region to understand the other? You know, he says the English and French media, he may be talking about Radio Canada or CBC or maybe talking generally, I am not sure. He says they have operated in ignorance, one of the other. Once again, not his words but his thoughts.

Look, I think the report which is endorsed by the CRTC speaks for itself. You don't have to agree with what I say about it but don't take offence if I say to me it doesn't prove that everything is hunky dory and that the government was wrong in asking that an inquiry be set up which was the tenor as you will recall of many of the questions I was asked in the House.

Q. Mr. Prime Minister, I would like to turn your attention to bilingual Cornflakes boxes in the kitchens of



Canadians and ask you where do you think Canadians are putting the priority of national unity? Do you think it is above or below the economic issues that they are facing right now?

A. Well, I am informed that <sup>in</sup> most samples of public opinion, Gallup polls or others, that the economic issues are much higher in their minds than the problems of national unity or the constitution or French-English and so on. I would be prepared to accept that assessment.

Q. How does that affect any of your plans to bring the message that Canadians must understand and appreciate other differences in Canada to keep Canada united?

A. Well, as I was saying to the first question today, I think I have been a bit guilty of not addressing the question of national unity enough but we will try to do more of it in the next session of Parliament. I think I have indicated that, that in the Speech from the Throne we would have to come to some of these problems of language, of the constitution and so on, so we will bring it a bit more to the fore than we have in this session.

Q. So I would be interested to know if you have heard anything from the Indian Prime Minister in reply to your communication and if so, what is your position now?

A. No. I have not heard anything. I have sent a recent communication to him offering to dispatch to India some officials to explain further our position on safeguards and nuclear questions.

Q. There is another thing. The Indian Prime Minister recently made a statement in Parliament saying:

"I have come to the conclusion that  
no nuclear explosion is necessary  
for peaceful purposes although I  
will not make this commitment for  
all time to come.  
There is no question of any more  
explosions for peaceful purposes."

Does this in any way improve prospects of nuclear and economic co-operation?

A. It is certainly in line with what the Prime Minister told me at the Commonwealth Meeting in London and I am happy that he made this statement in the Indian Parliament. That is why I repeat we are anxious to have an exchange of officials which would bring to an end this interruption of the very good relations Canada has traditionally had with India.

Q. Just a couple of hours ago in this room a group, I think it is called the Environmental Assessment Panel, came down and submitted a report which gives the green light on environmental concerns to the Alcan Pipeline proposal. Now, that seems to set quite a precedent as far as the numbers of individuals or agencies who have been endorsing that line. We have had the NEB. We have had Judge Berger. If a pipeline is to be built, is it not at

this point academic or a fait accompli that the pipeline will be the Alcan Pipeline?

A. No. I can't in all sincerity say that it is not. It is not even decided that the pipeline should be built in the immediate future and therefore the particular path that it will follow has not been decided.

The only thing I think I can safely say is that because of the multiplicity of these reports and because of the variety of concerns which have to do not only with energy and its transportation but with the financial implications, its job creation implications, with the rights of the Native Peoples in the North, with the environment, they have to deal obviously with the problem of foreign affairs in relation to the United States -- because of this complexity it is inevitable that if we do build a pipeline, it will have to be by legislation. In other words, we will have to come to Parliament with a law saying that A, we are building the pipeline and, B, this is the route, and, C, this is what we will do insofar as financing and, D, this is the measures we are taking for the environment and E, this is the kind of contract we are having with the United States. I mean, I am just making the point that it would be a very complex series of decisions which I think would be best debated by Parliament and therefore would be in the form of legislation, if we decide to build a pipeline.

Q. Are you saying that if a pipeline is to be built through Canada that it is still possible that the Arctic Gas consortium might be the winner in this?

A. I think it shouldn't be eliminated without the kind of study that Cabinet is engaged in now with a group of ministers. It shouldn't be eliminated without <sup>our</sup> discussions with the United States having come to a conclusion and it is something that still has to be decided so I wouldn't eliminate any route no more than the Americans have eliminated the El Paso route.

Q. Just a couple of questions on the subject of language rights, Mr. Prime Minister. I see that Premier Davis, for one, has taken your advice about not going along with Premier Levesque's suggestion. That leads me to your earlier discussion about the protection of the minority language rights in Quebec and elsewhere. Is it your opinion that the kind of protection that you envisage requires an amendment to the British North America Act and if so, would you entertain another Federal-Provincial conference or do you think that would be a useless exercise and in that event, would you consider going, as a Federal government, to Britain to seek the necessary amendment and finally do you feel a public mandate by way of an election would be necessary before you did that? It is a very complicated question.

A. Well it is indeed a very complicated series of questions and I would think the answers could only evolve one by one.

In other words, it is impossible to answer the second and third until we know what the answers to the first and

second are. Let me repeat our general policy stance. It is that the provinces should, within their jurisdiction of education, should recognize the minority rights of the English and French speaking populations in their provinces. We define this as a matter of right. We have realized that this could with advantage like other human rights be enshrined in the Constitution and we have proposed, back in '71, in Victoria, and we have proposed again in a recent exchange of correspondence with all of the premiers including Premier Levesque that if they were really concerned with protecting the linguistic minority in their province there would be advantage in enshrining it in a Constitution, the Canadian Constitution, so this remains our position.

We tabled a policy paper on language about a month ago where we said we hoped the provinces would come to this conclusion. We were, in a sense, responding to Bill 1 or Bill 101 of Quebec which was not recognizing the rights of English-speaking Canadians and particularly those who move into Quebec so we said we hoped that the provinces will do this. If they find some difficulty in doing it, we are prepared to do it ourselves with our own financial resources if they give us constitutional jurisdiction to do so, but I have always said that I wouldn't want to move in that direction without consultation with the provinces because I think Mr. Levesque's initiative proves that he, too, realizes that he was dead wrong in his Bill 101 or in his Bill 1.

You know, he is in the embarrassing position of seeing that some of his ministers have pushed him too far and he is seeking a way out. You will recall that the PQ. traditionally has been saying you know the Francophone minority in the other provinces, "we don't care about them." This has been their position. "We have got to separate and tough luck. They will look after themselves!" This was to give themselves free rein to do what they wanted, the PQ, with the English-speaking minority in Quebec.

Well, we said that this position was not right and I think many provincial governments and I think that many people in Quebec have said that this is not right and that Mr. Levesque is looking for a way out from the dead end that his ministers have put him into. He is saying, well, you know, we will recognize the rights of the Anglos in our province providing the other provinces do the same. Well, Mr. Hatfield says well, we are doing the same. What are you talking about? Mr. Davis says, well, we want to do the same, too. We have been making progress, what are you talking about? You know, why talk about bargaining like this? If you think your law is wrong, Mr. Levesque, change your law. That is what I say. And to me he is trying to get out of a bad situation.

Now, what will happen in the Federal-Provincial conferences which might be held on this, what the premiers themselves will say at their meeting in a couple of weeks' time in, I think it is, St. Andrews in New Brunswick, I can't



predict but I do know that if they don't agree to some such proposition as the one that we have been putting to them, then we will have a Federal-Provincial conference to discuss it with them. If they do agree, well, so much well and good. We will probably have a Federal-Provincial conference which will be a very forward-looking one and we will come out of it recognizing the rights of the minorities as a matter of right and not as a bargaining point.

Q. I understand you to say then that you are not going to take any further steps yourself in this area at least until you have had a Federal-Provincial conference?

A. I don't think I said that.

Q. That's what I understood you to mean in your last sentence.

A. It depends very much on what happens in the weeks and months to come. You know, we might have a Speech from the Throne before that. I don't know what is going to happen at St. Andrews By the Sea. The provinces may agree to go along the line that we are suggesting.

Q. Est-ce que je peux vous demander de répéter un peu, en français, la substance?

R. Eh bien, oui. En gros, je disais que les indépendantistes, les séparatistes dans le Québec, ont toujours dit: "Eh bien, malheureusement, oui, on ne peut rien faire pour les minorités des autres provinces." Ils ont employé des mots même assez cruels, monsieur Levesque et d'autres, pour dire: "Eh bien, les minorités, elles sont perdues."

Ca, c'était leur position historique.

Je pense que monsieur Levesque se sert maintenant de ces minorités-là pour se sortir d'une mauvaise loi, le Bill 101 qu'il a devant la population; une loi, sans doute, que monsieur Laurin et monsieur Morin lui ont concoctée et il se trouve dans un cul-de-sac. Il se rend compte qu'il est obligé d'être un peu plus généreux vis-à-vis sa minorité, et que ça ne tient pas debout de dire: "Eh bien, nous, on va être injuste vis-à-vis nos minorités parce que dans l'histoire passée, il y a eu de l'injustice vis-à-vis les minorités des autres provinces."

Quand on lui a proposé une solution, dans ma lettre de janvier, quand j'en avais proposé une au Gouvernement antérieur, à Victoria, c'était de dire: "Eh bien, protégeons les droits des minorités linguistiques dans le Québec et dans les autres provinces: faisons-le par des amendements constitutionnels. Et si vous ne voulez pas le faire, eh bien, cédez-nous la juridiction, nous, au Gouvernement fédéral, pour que nous puissions nous occuper de ces minorités-là."

Parce qu'on n'a jamais fait fi des minorités francophones des autres provinces. C'a toujours été la base de notre politique d'égalité linguistique que de dire qu'il faut vraiment que ces minorités-là, qu'on reconnaisse leurs droits, de sorte qu'on puisse aussi dire de la minorité anglophone dans le Québec: il faut aussi reconnaître leurs droits. C'est notre



position, c'est la seule valable et, je pense, la preuve, c'est que monsieur Levesque essaie d'y arriver maintenant en parlant de négocier avec les autres provinces.

Q. Est-ce que vous seriez prêt à garantir le droit des minorités dans la Constitution, même sans l'accord du Québec?  
- un amendement unilatéral?

R. Pour moi, ça me paraît une question hypothétique, puisqu'on vient d'apprendre par la lettre de monsieur Levesque qu'il est prêt, lui, à garantir les droits des minorités.

Lui, veut le faire par des négociations bilatérales avec les autres provinces. Apparemment, elles sont en train de lui dire: " Ce n'est pas la manière," mais je suppose que son intention de garantir les droits des minorités de cette manière-là tiendra toujours si on prend une autre manière.

Q. Est-ce que vous êtes prêt à prendre une autre manière?

R. Bien, oui, je la propose cette autre manière-là: ça serait que nous nous entendions comme nous l'avions proposé à Victoria, comme je l'ai proposé à monsieur Levesque dans une lettre du mois de janvier, - que nous nous entendions pour garantir les droits des francophones dans les autres provinces, dans la Constitution même. Pas par des bouts de papier signés entre des gouvernements qui, demain, peuvent être défaits ou remis en question; mais dans la Constitution même.

C'était la solution que nous avions proposée à Victoria. C'est celle que j'ai renouvelée au mois de janvier dans une lettre à monsieur Levesque et aux autres provinces, et c'est également celle à laquelle nous faisons allusion dans notre Livre Blanc sur les langues, du mois de juin.

Je vous dis: monsieur Levesque a été mis dans un cul-de-sac par monsieur Laurin et maintenant, il essaie de s'en sortir en disant: "eh bien, on fera telle chose, on rendra justice à nos minorités à condition que les autres provinces le fassent également."

C'est peut-être une manière d'essayer de s'en tirer, mais je pense que d'après la réponse des autres provinces, il devrait plutôt employer l'autre manière, celle dont je parlais.

Mr. Prime Minister, can you give us the date for the start of the decontrol program now?

A. No, because we are having a meeting tomorrow, you know, with the representatives of the CLC and business groups and we are going to discuss this very question. We are going to take the position that decontrols before the terminal date foreseen in the law are possible and perhaps even desirable if we can get certain guarantees that inflation will continue on its downward course and this is exactly what we are going to be discussing with them tomorrow.

Q. I think I might have misunderstood your previous answer on the pipeline. Perhaps you could clarify it. As far as I understand, the government will approve the Foothills Pipeline as a result of the recommendation by the Energy Board without any legislation, just by Order-in-Council. Would you

be willing to, or would you contemplate legislation even to approve the Foothills Pipeline? Or would that just be a priority gap?

A. No. I think it is a question which permits me to re-assert what I did in answer to the previous question. You are quite right. The NEB has issued a recommendation. I suppose in a sense one could say, well, the pipeline will be built but the NEB, in our view, without making any public assessment of the value of its judgment, the NEB was making a judgment as a quasi-judicial body. The argument I was making earlier is that a pipeline will be extremely complex. It will involve the environment, the Native People, the financial implications, U.S. - Canada relations and so on, and therefore I think it would be more in keeping with the spirit of <sup>if</sup> parliamentarianism, rather than just act by Order-in-Council or through the National Energy Board issuing a licence, we brought the subject before Parliament and I said that is what we intend to do by way of a law should we decide to build the pipeline.

Q. I just wanted to ask about arrangements in the next month. Are you going to be having another press conference? Who will be in charge when you are away?

A. I would imagine that next Thursday being a parliamentary day there will likely be a press conference subject to your availability, Doug.

Q. The available Fisher?

A. Okay, and who will be in charge .....

..... The Acting Prime Minister will be Mr. MacEachen for most of the time.

Q. Where are you going, Mr. Prime Minister, on holidays?

A. Well, I am looking at the possibility of travelling around part of the country with my kids but nothing firm yet and I would rather not lead you into any mistake. I certainly would let you know next week if I am moving out of Ottawa.

Q. In the dog days of August, it would be well if you recommended to Mr. MacEachen that he hold a weekly press conference, too?

A. That sounds fair enough. I would like it for more reasons than one. One of them is certainly that hopefully you people would be around here in the dog days and --

Q. That shows you how sensitive everybody is here today?

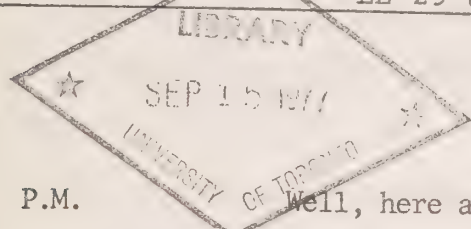
A. Well, exactly, and I know in this way you would follow your normal courtesies and not try to trail me on my vacation and you would be here working, which I appreciate.

TRANSCRIPT OF THE PRIME MINISTER'S REMARKS TO PRESS  
FOLLOWING TRIPARTITE MEETING, CONFERENCE CENTRE, OTTAWA  
JULY 29, 1977

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TRANSCRIPTION DES REMARQUES DU PREMIER MINISTRE AUX JOURNALISTES  
APRES LA RENCONTRE TRIPARTITE, AU CENTRE DES CONFERENCES, A OTTAWA  
LE 29 JUILLET 1977

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P.M. Well, here are three co-chairmen: Mr. Jean de Grandpré, representing the BCNI; Mr. Joe Morris, the CLC; myself, the GOC; and we want to answer questions on the meeting we just had. We've put a proposal to our partners in the economy to the effect that we wanted to de-control. We were looking at precise dates but that we could not de-control, lift the controls, the AIB, unless there are certain pre-conditions which had been met by the main decision-makers in the economy and that has been the object of the discussion. My colleagues on the left and right will indicate that they are committed to give us an answer positive, negative or with modifications within two or three weeks, if possible.

En français, la réunion a été essentiellement une discussion et le gouvernement a mis devant les représentants de l'industrie et des syndicats, a mis devant eux les conditions aux termes desquelles nous pourrions soulever les contrôles. Nous avons discuté de dates possibles, mais aucune n'est définitive jusqu'à ce que nous sachions quels sont les normes de conduite des preneurs de décisions économiques dans la période post-contrôle et c'est un certain nombre de conditions que nous avons mises devant nos collègues et auxquelles ils vont réfléchir et nous donner une réponse dans deux ou trois semaines.... Oui, et nous sommes là tous les trois...

Q. Sur les mécanismes du décontrôle, monsieur le Premier ministre, est-ce que vous avez un peu comme avec la CSN eu des propositions de la part surtout du CTC d'un espèce d'organisme de contrôle ou de surveillance sur les prix particulièrement, un peu comme la CSN vous l'avait suggéré il y a peut-être une semaine maintenant?

P.M. Eh bien, voilà ce que M. Morris... je vais demander à



M. Morris de parler le Congrès du Travail, mais la réponse en gros c'est que M. Morris s'est engagé de revenir nous donner sa réponse après qu'il aurait consulté d'autres collègues au sein du CTC. I think that's correct, Mr. Morris, that you prefer not to give any counter-proposals today until you've consulted other members of the CLC?

MR. MORRIS: Yes, we don't want to give specific answers today we have discussed the matter with the representatives of the affiliates of Congress.

Q.

Mr. Trudeau, if you do not get the kind of answer you want from labour and government, are you telling us that you may then because controls seem to be quite popular, you may then keep controls on longer than anyone may have expected?

P.M.

I couldn't speak with people's expectations but as you know the law expires on 31st December 1978, so we're not saying that if we can't get the proper answer we're going to keep them on beyond that. What we are saying is that an earlier possible date for de-control would not be met, we would certainly hope that if we could not meet at any earlier date that we would continue discussing and look for a next possible date.

Q.

Mr. Prime Minister, did you give in your certain points that you made to the business and labour representatives any indication that even when the period of de-control has ended that there will be still some state intervention in the economy that we had not experienced prior to controls?

P.M.

Mr. Macdonald will probably want to give a more detailed answer to this and he will gladly remain on to answer detailed questions. But the answer is that after we lift controls, there are no more controls. We have suggested a monitoring agency which wouldn't have teeth as the expression goes to control but there would be a monitoring agency which would have the authority to ask for reports on prices and incomes movements.

Q.

Mr. Prime Minister, can you tell us what pre-conditions you've asked business and labour ?

P.M.

I think that's a fair question and in general terms here again Mr. Macdonald could give details, but in general terms I suppose there



are three main ones; that there be agreement to the setting up of a consultative forum, the kind that you described in some detail in that white paper, the discussion paper, the agenda for co-operation - that would be the first. The second would be that we agree on setting up a monitoring agency which would have the power I just described - not of rolling back prices or incomes but which would have power to ask questions and to publicize opinions as to whether such and such a decision made by the private or the public sector was conducive to reduce inflation and a better performance of the economy. And the third is that

some form of voluntary restraint agreed to which would have the effect of continuing putting downward pressure on the inflationary spiral which has been moving downwards since controls were brought in with some erratic behaviour but generally we brought inflation out of the two-digit figure down to something around 7 per cent. We would want an

undertaking to continue to move in that direction, towards reduced inflation.

Q. But have you not been more specific than that, have you not a target figure for voluntary restraint, have you not asked Mr. Morris or the business leaders to speak out in favour of voluntary restraints

P.M. Yes, there is a great deal of details which can be said to these three, may be added to these three main points but I'm just answering you in general terms what is the nature of the pre-conditions to de-control that we've put forward. Naturally we would want more than an answer: Yes, that's interesting, please go ahead.

Q: Si vous me permettez .....  
s'engager pour l'entreprise ou pour un cercle limité de personnes, est-ce que vous avez de ce côté-là obtenu des assurances de l'ensemble des membres du CTC par exemple, l'ensemble des membres de la communauté financière respecteront l'engagement que ce groupe restreint de personnes a pris?

P.M. Eh bien, c'est pourquoi précisément, M. Morris d'une part et M. de Grandpré de l'autre n'ont pas voulu s'engager aujourd'hui. Ils parlaient au nom d'un certain groupe réuni dans la pièce, mais ils nous

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ont dit qu'ils aimeraient bien avoir deux ou trois semaines pour parler aux membres de la communauté plus large, des hommes d'affaires et des industriels d'une part et des syndicats du CTC d'autre part. J'ajoute entre parenthèses que dans quelques jours nous allons aussi parler aux syndicats du CSN pour savoir comment ils réagissent aux propositions que nous avons faites.

Q. Est-ce que cette proposition ou ces trois semaines de délai évidemment ne nous permettent pas aussi de penser qu'il y aura quand même malgré tout des indisciplinés et qu'une forme de surveillance avec quelques dates, pour employer l'expression que vous avez utilisée, à ce moment-là n'est plus nécessaire?

P.M. Eh bien, c'est un point de vue, mais ce n'est pas le nôtre. Le nôtre c'est que si nous avons des engagements formelles de ces messieurs, de tous ceux qu'ils représentent et d'autres groupes semblables, nous sommes prêts à marcher vers une période de dé-contrôle accélérée. Il y aura d'autres étapes bien sûr. On fera, on convoquera une réunion du conseil consultatif dont nous avons parlé, où on pourra davantage demander des précisions de part et d'autre.

Q. Prime Minister, I think that the business community - and certainly to some extent I think the organized labour - came to this meeting today with more questions in terms of what the government had in mind and than you had seemed to be indicating that you're asking them, you know, what their views are. We've had discussions before on this issue of voluntary restraint and you've indicated in the past that even an assurance from both business and labour would be enough for you to enter into a de-control period. Is that still your view, and did you ask for and did you get that assurance today?

P.M. The answer is yes. In general terms, that is our view. Second question, the answer is yes: we asked for that assurance. And the third question, I answered a little earlier when I said that these gentlemen said that they would need two or three weeks to give us an answer to those questions.

Q. Depending on what they say back to you, are you in a position now, as the government, to enter into a period of de-control which could possibly start this fall or at the beginning of the year?

P.M. Well, I think so, Don, if we get answers to those three general areas which I just outlined. If those answers are positive undertakings, yes we are prepared to end controls earlier than the legal date of December '78.

Q. Would you expect Mr. Morris and the business community in this country to take advantage of public platforms to advocate voluntary restraints? Is that the kind of undertaking you're looking for before you move early?

P.M. The answer is yes. I'm not sure how one would define public platforms, but obviously we consider that the business community and the labour community and other economic decision-makers in Canada are jointly and severally responsible with the government for the good behaviour of the economy. And we are all concerned that the Canadian economy get out of its position where it has high unemployment and still unacceptably high inflation. And we are asking representatives of these groups, as partners of the government, to co-operate with us and we with them in getting better performance from the economy. And this means that we will have to make undertakings towards government restraint, towards federal government restraint and towards a certain behaviour in the remuneration of public employees and that they will have to make commitments and these commitments will have to be made public and that we will all have to pull together publicly to make the Canadian economy perform in an acceptable way.

Q. Aside from the question of the monitoring agency per se and the function it will have, what about this question of tripartism? Is that alive? Do you see some ongoing permanent mechanism for consultation? Is that going to be an outcome?

P.M. Well, I mentioned the consultative forum and that is, I would say, the next generation from the tripartite meetings that we've been having.



Q. It's still on?

P.M. Well, it is very much part of our discussions and I would say of our pre-conditions. We would have to have these two groups at least accept to participate in the consultative forum that the word "tripartite" would no longer be exact because we would want to ask a few representatives of the groups in the community who are not represented.

We can give various examples of perhaps consumers or of federation of agriculture and so on.

Q. Monsieur le Premier ministre, le ministre des Finances l'autre jour a ... que ce serait assez difficile cette année d'atteindre l'objectif fixé de 6 p. 100 d'inflation. Est-ce que vous croyez que ce serait plus facile avec les contrôles qui seront levés, même avec la collaboration volontaire du patronat et des syndicats?

P.M. Eh bien, ce sera difficile. Le ministre avait raison parce que la deuxième année est presque terminée. Il reste quoi? Un mois et demi avant que l'année ne se termine. Alors, il est peu probable qu'avec la meilleure volonté du monde nous puissions changer fondamentalement les statistiques qui seront apparentes au mois d'octobre. Mais ce qui est important, c'est que dans les mois et les années à venir nous obtenions de tous les centres de décision économique, nous obtenions un accord que nous voulons réduire l'inflation. Ce n'est pas une aberration temporaire qui nous empêchera de penser que nous pouvons réduire l'inflation à un chiffre inférieur à 7½ p. 100 qu'il est actuellement, à peu près.

Q. La semaine dernière, vous avez semblé blâmer les hommes d'affaires de ne<sup>pas</sup> profiter de toutes les chances que le gouvernement leur donne d'investir. Là probablement, on va supprimer les contrôles sur les profits. Est-ce que les hommes d'affaires - et je veux poser aussi la question à M. de Grandpré - vous ont laissé entendre que si les contrôles étaient levés ils seraient plus volontiers disposés à investir dans l'économie canadien?

P. M. Ecoutez, je ne pense pas que la question s'adresse à moi, mais je me permets de reprendre un peu la question quand vous dites qu'il s'agissait de blâmer le secteur privé. Ce que j'ai dit, c'est que les



mesures budgétaires de M. Macdonald qui avait, par des mesures fiscales, par un allègement fiscal, avait invité le secteur privé à investir davantage, je dis que nos prévisions d'investissement ne se sont pas pour le moment matérialisées. Mais j'ai également ajouté comme le ministre, l'a fait à plusieurs reprises, que les mesures budgétaires devaient prendre quelque temps pour prendre effet, et nous ne sommes pas décidés de juger que les effets ne suivront pas parce que l'année n'est pas écoulée encore.

Q. Prime Minister, if you get positive replies from business and labour to your pre-conditions within the next two to three weeks, can you be more specific when you'll embark into that de-control period given the acceptance of these pre-conditions is the October 14th, the anniversary date, still an active one?

P.M. Well, I'll have to be very prudent in answering that. Let's put it this way. The October 14th date is very soon but it is still a possible date if the consultations are very successful, but I wouldn't want to create any expectations until we have further replies from both of the gentlemen sitting here with me today. You know January 1st is another possibility and I suppose there are several other possibilities before you reach the date of December '78 and it's certainly too early for us to indicate that there is <sup>a</sup> probable date which will be the date of de-controls.

Q. Is it necessary to get approval of all your suggestions, has the package of all three of those conditions has to be met if you get minor acceptance with some conditional acceptance on one of the three points or do you prefer to go ahead...

P.M. Well, I would say that they would have to be substantive agreement on all three points. I use the word 'pre-conditions' myself. I am afraid that it might not reflect exactly the tone of the meetings. We didn't sort of go in there with an ultimatum and sort of say: You know, you people have got to say yes to this, otherwise we won't de-control. We were really building on a piece of paper that Mr. Morris signed along

with -- who was your partner then in the...

JOE MORRIS: Peter Gordon.

P.M. Peter Gordon. And the business and labour groups came to us and they said: Look, we're prepared to put our jobs on the line and our heads on the block and go out and tell the Canadian people that we have to do certain things to be able to de-control with success. So all we were doing today as a government was build on that and say well, that's great. You know, there is obviously a desire to try and to solve, to bring inflation down and let's try and put it in more precise words, which we did today. But it wasn't us thinking up some new schemes and saying it's this or else. It was us answering the pressure from both these groups to de-control and we said: Yes, we will de-control sooner than the expiry date. We will do it if we can create in Canada the spirit that Mr. Gordon and Mr. Morris put in that piece of paper in May or June and if we can add more precision to it. And today's meeting, in reality was an effort by the government to add more precision to that general intention of co-operating in the creation of a saner economy in Canada which was manifested a month or two ago.

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TRANSCRIPT OF THE PRIME MINISTER'S PRESS CONFERENCE  
OTTAWA - SEPTEMBER 9, 1977

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TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A OTTAWA -- LE 9 SEPTEMBRE 1977

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Q. Mr. Prime Minister, on the issue of language and education, yourself, Premier Levesque and the other provincial leaders all seem to be heading in the same direction now, more or less, but in different vehicles. The question seems not so much to be the destination but whose car is to be used, and until that is decided, no one is going to go anywhere. How long will the Canadian public tolerate that sort of political squabbling on essential issues, and is there any way of breaking that impasse

A. I do not think it is a matter of whose car will take you there, it is more a question of whether you have a vehicle which will take you there. We are prepared to walk, run, fly, jump, swim or parachute there. So, it is not a question of whose car will be used, but how we are going to get there.

Obviously the Premiers in St. Andrews found a vehicle acceptable to all. We have put a vehicle forward which meets the concerns of both sides. Mr. Levesque did not like the statement of the Premiers because he said, in so many words, they would not be bound by it, so we said we will put it in the Constitution<sup>so</sup> that it will bind all governments. The other provincial premiers did not like his interprovincial agreement because they did not think it was the way to settle fundamental rights. They made a statement about their best efforts to provide education in French and in English. We said that the way to express those best efforts in the best way would be to bind you all and make it look serious, rather than a piece of paper, would be to put it in the Constitution. Mr. Levesque had one other objection, that is, the federal government would use the constitutional amendments to interfere in the area of education. We assure him that the amendment could and should be phrased in a way to state that the federal government will acquire no rights in the area of education, but that it will be the citizen who will see his rights protected.

Q Monsieur le Premier Ministre, maintenant que vous avez complété vos études de la Loi 101, est-ce que vous l'avez trouvée conforme à la constitution actuelle? Et est-ce qu'on peut dire que dans votre lettre au Premier Ministre, vous offrez un statut particulier au Québec, au point de vue linguistique et culturel?

R Eh bien, il y a deux questions: la première porte sur la constitutionnalité du Bill 101. Il doit y avoir un rap-

port du Ministère de la Justice au Conseil des Ministres Fédéral la semaine prochaine. Vous pourrez peut-être me demander la question à ce moment-là.

Pour le statut particulier, c'est une vieille formule que nous avons imaginée au moment de Victoria, et avec laquelle les provinces s'étaient dites d'accord, à savoir que lorsqu'on protège les droits humains, en l'occurrence, les droits linguistiques, il peut y avoir de l'étapisme.

On dit actuellement que la déclaration de St. Andrews est une déclaration dans laquelle les provinces anglophones se disent prêtes à protéger, dès maintenant, la liberté de choix pour l'étudiant en anglais ou en français; le Québec ne semble pas être prêt à entériner la liberté de choix, mais préfère le concept de la langue des parents.

Alors, nous disons: faisons de l'étapisme, espérons qu'éventuellement, lorsque la Province de Québec, ou le Gouvernement, plutôt, de la Province de Québec, aura compris que le français n'est pas en danger, qu'il pourra aller toute la distance, et qu'il sera aussi généreux que les autres provinces.

Q Une sous-question: si je vous pose la question sur la constitutionnalité, c'est que dans votre lettre au Premier Ministre, vous offrez, à toutes fins pratiques, d'inclure dans la constitution certaines dispositions qui sont dans la Loi 101.

Alors, ces aspects fondamentaux et cruciaux de la Loi 101, est-ce qu'on peut dire que vous reconnaissez que même si ça ne vous plaît pas comme tel, c'est conforme quand même - ça pourrait être conforme à la constitution canadienne?

R Non. Je ne peux pas, dans une lettre, rendre constitutionnel ce qui ne l'est pas. Seuls les Tribunaux peuvent décider ça.

Je parle de l'état de fait à savoir que la Province de Québec a adopté un Bill 101 qui sera peut-être ou peut-être pas mis à l'épreuve devant les Tribunaux.

Ce que je propose aux provinces, c'est de partir de leurs positions respectives, monsieur Lévesque disant, à St. Andrews, qu'il voulait protéger les droits des francophones des autres provinces, et également les droits des francophones allant du Québec dans les autres provinces. Il voulait le faire par entente.

Les autres provinces ont dit: non. S'il s'agit de droits fondamentaux, il faut plus que des ententes.

Alors, notre formule dit: très bien, monsieur Lévesque, vous voulez protéger les droits fondamentaux des francophones du Québec, dans le Québec et à l'extérieur du Québec, et ceux du Québec qui vont à l'extérieur du Québec, voici une formule qui le fera.

Et monsieur Lévesque avait également objection à une formule qui permettrait au Fédéral de s'ingérer dans le domaine de l'éducation.

Nous lui proposons un amendement constitutionnel qui



ne donnera pas ce droit au Gouvernement Fédéral; qui ne fera, en somme, que reconnaître les droits qui existent pour les anglophones ou les francophones de s'éduquer dans leur langue, ou qui créeront ces droits là où ils n'existent pas.

Alors, je pense que monsieur Lévesque devra trouver que cette formule-là atteint exactement les objectifs que lui poursuivait par la formule d'entente; simplement, elle atteindra ces objectifs d'une façon beaucoup plus ferme, d'une façon qui pourra être sauvegardée par les Tribunaux, plutôt que par une simple entente que les provinces peuvent briser.

Q Je voudrais vous demander si vous êtes satisfait de la réponse qui a été donnée à monsieur Broadbent par le cabinet du Solliciteur-général sur la question des dossiers de la GRC et également, si vous seriez satisfait si vous, vous étiez Chef de l'Opposition?

R Mon Dieu, la deuxième question est peut-être la même que la première: oui, je suis satisfait de ma réponse et je pense que monsieur Broadbent devrait s'en satisfaire.

Ce que je lui propose, en somme, c'est que s'il veut comparaître devant la Commission d'enquête qui va étudier les problèmes de sécurité nationale et le problème des libertés publiques, qu'il aille exprimer ses idées devant cette Commission.

Pour le reste, que monsieur Broadbent se mette en boule parce que quelqu'un lui a dit que la Gendarmerie avait un dossier sur lui, je le trouve passablement braillard.

Mon Dieu, la Gendarmerie a probablement un dossier sur vous, sur moi, sur lui. Et puis après?

Je suppose que la Gendarmerie devra avoir un dossier sur moi. Après tout, je suis allé en Russie en 1952, je suis allé en Chine communiste et tout le reste. Ils ont probablement un dossier sur moi. Et puis après? Ça ne m'a pas empêché de devenir Premier Ministre.

Ça ne l'empêchera peut-être pas de devenir Premier Ministre, non plus, monsieur Broadbent. Il y a peut-être autre chose qui va l'empêcher.

Q. You have just completed what appears to be another successful trip to Washington. Would you give us an assessment of what you think of the standing Canadian and American relations are now seeing that you are now on first-name terms with the President?

A. Well, Richard and I -- last February when I met the President during my first official visit, we had a whole series of irritants, some which could be very troublesome. We discussed them all, and most of them are well under way to being solved in a way which is advantageous to both countries.

The tolls on the St. Lawrence Seaway was at the head

of the agenda. We wanted to change the tolls and the Americans did not. It looked as though we might have to renounce the treaty unilaterally and so on. We agreed that we did not want to proceed that way; they did not want to proceed that way, so we decided to sit down and reach an agreement, and that was done.

On the fisheries question and maritime boundaries question, well, as you know, they had taken measures which were in quite direct conflict with our view of international law and so on, and President Carter, after my February visit, decided that we would suspend the whole thing and negotiate it. So, they have suspended any unilateral action and now the thing is well on the way to being settled by difficult negotiations.

On the Garrison diversion, the same thing. He stopped the work on the Garrison diversion until we had the IJC report. I believe that is coming in next week.

On the pipeline, you will recall that last February it did not look as though it would be a very great possibility for Canada to go along with that. There was such a strong lobby against it, and Berger was preparing his report and one of the things that he would be opposing the Mackenzie route, and so on. We said we would try to find a decision which was good for you and for us and we have made it.

There is also the question of extraterritorial applications of US legislation, particularly in the Columbia River area. Well, the President agreed at that time that Attorney General Bell would come down and discuss that with the Minister of Justice and he did. We are still not satisfied with the state of play there, but it is the American law and the American courts which are giving us the problems, not the administration.

Another example would be the tax exemption on conventions in Canada, which is a great irritant. We have not got the results we hoped yet, but I raised it again with President Carter and we have set under way a mechanism which, hopefully, will bring satisfaction to our side.

We had talked about tanker problems and oil spills, particularly on the west coast. Well, we are well on the way to setting out the environmental protection regulations to protect against any possible adverse action in the Juan de Fuca Straits and so on.

So, everything we raised President Carter seems to have helped us solve in a way which is compatible with the interest of both countries.

The Panama Canal was very important for him - the signature of the treaty. I think it was very important for Canada too, at least in international terms, apart from wanting to do something that President Carter invited me to do. It should be quite clear, if it has not been before, that several South American leaders insisted that I be at the Panama signing. President Perez of Venezuela had spoken to me of this while I was there a year and a half ago. The President of Colombia was sending messages, and the President

of Panama, when he came to the Olympics last summer, asked if I could assist at the signing, so everything seems to be going along fine in our relations in the Americas. There probably will be other irritants, but if they continue to be tackled in the spirit which we have tackled them over the last eight months, I think relations will continue to improve between the two countries.

Q. First, a point of clarification, Mr. Prime Minister. You said you were waiting for the Justice Department's report. Does that mean that your response to the Protestant School Board in Montreal with regard to a reference to the Supreme Court also awaits that, or have you taken a decision with respect to that request?

A. I have not taken a decision as regards that request. I am a little hazy in my mind as to what request it is. I gather the request refers to Bill 101?

Q. It refers to Bill 101.

A. We will certainly be discussing that next week.

Q. If not that, would you be prepared to be an intervener with them at the Quebec Superior Court level as you have been in Manitoba?

A. Quite frankly, that is a much more likely eventuality. When private parties go before the courts on constitutional issues, and the issues are of great importance, we like to be present as we were in the Manitoba case, and as we most likely would want to be in the Quebec case if that is taken before the courts.

Q. Does the proposal you sent to Mr. Levesque obviate that kind of action?

A. No way. If Mr. Levesque's Bill 101 is struck down in some way in its language provisions, obviously any constitutional amendment we would make would be to protect the rights that exist. We are assuming right now that Bill 101 having been just passed, that Mr. Levesque is more interested in language of education of the parents than absolute freedom of choice. We are saying, "Well, come to the bargaining table and we will permit more than you are permitting in Bill 101. You want to permit it by way of an agreement with the other provinces, bilateral agreements with different provinces, whereby you would go further than Bill 101 goes. We are saying we have a way that will permit you to go further than Bill 101 goes, and that is through a constitutional amendment." Mr. Levesque says that he wants to protect the rights of French Canadians moving to other provinces and to protect the rights of French Canadian\$already living in other provinces, and that he wants to do this by bilateral agreements with the other provinces

telling them that English Canadians moving into Quebec from other provinces will be protected in spite of Bill 101. Mr. Levesque will make an agreement which will permit us to protect them as Bill 101 authorizes.

So what we are saying is that you agreed in principle to protect this freedom of movement of English speaking students coming from other provinces. You wanted to do it bilaterally. We are telling you now that the other provinces do not want to do it bilaterally. Let us pursue your aims but let us do it through a constitutional amendment. This is completely independent of what the courts will ultimately do on Bill 101.

In other words, if the courts ultimately reject Bill 101, then Mr. Levesque's bilateral agreements or our constitutional amendments will only be putting in there what he would have been prepared to do by agreement.

Q. But he might not be very pleased if you are attacking him in the courts. He might not be very amenable to negotiation on the constitution.

A. Well, I will keep that in mind.

Q. Mr. Prime Minister, the latest economic statistics indicate that the government is not going to achieve its goals, that is, growth in GNP as projected in the last budget. I wonder which of the two possible attitudes the government is going to adopt. Is it that we now have to accept a lower performance level on the part of the Canadian economy, or is it going to be a change in the economic policy to direct stimulus on this?

A. Well, these projections are projections. We use them in order to adjust our policies when we can improve what we think the projection to be. If we find some way of improving the economic performance, then, we will use that.

Q. What I am asking you basically is whether we are going to continue with the current economic policies.

A. Well, economic policies change all the time. There are cyclical performances of the economy. It tends to go up or down, and governments try to tune their policies counteract the cyclical. They try and make sure that a boom does not lead to a bust. They are constantly intervening in the policy. It can be budget, it can be by manpower programs, it can be by DREE programs, or it can be by all kinds of economic measures. There will be no lack of economic measures taken by the government.

The Bank Act is being looked at by the bank, I suppose, on a daily basis, to establish the bank rate, and we are looking at our fiscal and monetary guidelines all the time in order to try to get the best performance possible out of



the economy. It is pretty important for all governments and all economic decision-makers to be part of that process, and that is what we have been attempting to do in the past year and a half with the meetings with the unions, management groups, to get all responsible opinion leaders and decision makers in the economy to act with the government to get the best performance out of the economy.

One of our difficulties with the economy now or in the past has been that we have priced ourselves out of the US markets and that of our principal competitors, that our productivity is lower than that of the Americans and our wages and profits are higher. So, we obviously have to become more competitive. Controls are one way of bringing prices and incomes down. We proposed to the unions and business people ways of coming out of that control but continuing to exercise constraint. That has not been successful yet. I hope we will be able to continue to discuss and involve all the economic decision makers.

Another point to be made is that the Canadian dollar is now lower in value than the American dollar. That is taking some time to take effect, but there is no doubt that the fact that our dollar is worth less than the Americans' has forced us, as Canadians, to do what, I suppose as far back as when we brought the controls in two years ago, we recognized we would have to do, and that is live more within our means.

Now, we did not do that on a voluntary basis after the 1974 election. There were year and a half long consultations. We have done it on a control basis, but not enough to satisfy the monetary markets of the world. In other words, we still have less productivity and higher returns than our main competitors, so the money markets have valued that by devaluating the Canadian dollar. That is good. That is telling Canadians that you are not as rich as you used to be. If you work harder, you may become richer, but right now you are not as rich. That is the signal that has to come through to all of us. If we continue to work harder and be more productive and ask for a little less satisfaction, we will become more competitive; we will have higher employment, less inflation, and we will all be better off. This is not something the government alone can do. It has to have the cooperation of all sectors of the economy.

Q. I would like to get your reaction to the Quebec government's white paper on the holding of referenda, and specifically ask you whether you would be prepared to accept as a referendum on Confederation that it be held under the types of rules proposed?

A. I do not want to prejudge that either, because we are looking at that next week in Cabinet at the same time as Bill 101, but my immediate reaction is that the referendum is not really a referendum, it is a polling of opinion. It is presented this way by the Quebec government. In other words, it does not bind them. They even said specifically

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they would not be bound by a negative answer to separation. So, presumably, no one else will be bound by a positive answer to separation.

I think the sounding of opinion will only be important if it is done fairly and in a way which is credible. I understand that there are certain provisions of the referendum paper which do not seem to permit an absolute fair sounding of opinion, but this we will have to see. We will have to see in what way the law is couched and how the questions are asked and so on. One thing is certain, and that is no person of sense will be bound by a referendum which will be rigged, by a sounding of opinion which will be rigged. You are not impressed by a Gallup Poll when the Gallup people just go to people who believe in a yes answer. You have to ask questions of the other side too.

Q. A supplementary, if I may. If you find that the rules are rigged, would you not be in a stronger position to prevent it from taking place by disallowing, rather than not using that power, and then trying to say after the fact, even though you have the power to prevent it, "Well, we do not like the way you did it".

A. Well, I suppose you could argue that. I am more inclined -- if you disallow a law, it can be passed the next day. If you disallow it again, it can be passed the following day, and so on. I would be more inclined to say that if your rules are not common sense and good, then no one will take them seriously. If you want to have a sounding of opinion, let it be fair, and let it be seen to be fair, and if you want any help in reframing the question, we are prepared to help you.

Q. Monsieur Trudeau, pour revenir à la situation scolaire au Québec, les négociations constitutionnelles et le recours éventuel aux Tribunaux ne peuvent pas, bien sûr, permettre de régler les problèmes concrets qui se sont produits à leur entrée et qui se posent encore; et dans les milieux québécois qui ont eu la tendance, cette semaine, peut-être à défier ou à ne pas respecter la Loi 101, on s'attend peut-être à une action plus immédiate d'Ottawa.

Est-ce que vous pourriez tout au moins nous dire ce que vous suggérez à ces québécois comme attitude, face à la Loi 101, dans l'immédiat?

En d'autres termes, est-ce qu'on devrait respecter cette loi-là?

R. Ecoutez, je ne sais pas si c'est une question-piège, mais c'est clair que la désobéissance civile, dans un système démocratique, n'est pas une chose que moi, comme Chef de Gouvernement, je peux approuver. Je pense que tout citoyen doit être dans l'obligation d'obéir aux lois.

Mais si les lois sont mauvaises, il y a deux remèdes: c'est de les faire changer par les Tribunaux comme ultra vires -- c'est un remède qu'on va peut-être essayer, enfin, dont on dit que des contribuables vont l'essayer; l'autre remède, c'est de changer le Gouvernement.

Moi, j'ai toujours été de l'école de ceux qui disent: si on a des mauvaises lois, changeons les Gouvernements.

Maintenant, ceci dit, en attendant, une personne doit-elle être liée par une loi qu'en conscience elle croit mauvais

Là, on ne tombe plus dans la question du droit, on tombe dans la question religieuse de la conscience.

On voit, dans tous les systèmes, qu'il y a de la désobéissance civile. Il y a des objecteurs de conscience. Il y en a, pendant la guerre, des objecteurs de conscience, de ceux qui disent: la loi m'oblige d'aller à la guerre. Je n'irai pas. J'irai plutôt en prison.

Moi, je respecte ça, quelqu'un qui dit que sa conscience l'oblige à faire un acte illégal, qu'il le fasse mais qu'il paye pour; qu'il paye l'amende ou qu'il aille en prison.

Mais, dans un système démocratique, encore une fois, les gens sont liés par la loi.

Il y a un seul Tribunal d'appel au-dessus des législatures: c'est le Tribunal d'appel de sa conscience; et en dernière analyse, il faut écouter sa conscience et payer le prix.

Q. I believe you were invited to Washington by the OAS, and it is probably the first time that a Canadian leader has taken part in an American summit. I wonder whether you could say this has any significance in terms of greater Canadian involvement in the interAmerican affairs?

A. I think it is, but it did not begin just the day before yesterday, because very soon after 1968 when our government asked to have a total review of our foreign policy, we decided within the first year to have much greater connections with the rest of this hemisphere. You will recall we sent a ministerial delegation of, I think, as many as five or six ministers, on a tour around South and Central America. We took the position of accepting the observer status at the OAS, and a further position of being participants in several of the institutions like the InterAmerican Development Bank. So, we have taken several steps to get closer to hemispheric affairs. As I repeat, observer status in the OAS is -- we have an ambassador to the OAS, Ambassador Blanchette. This is as close as we can get without being actually in it. So, you are quite right in saying that we are moving towards more intensive relations with hemispheric affairs including, of course, the Caribbean ones.

Q. Would you say whether the question of actual full Canadian membership in the OAS came up in your discussions with President Carter, or whether that question was alluded to in any way?

A. Yes, it was. In my discussion with President Carter and some of my informal discussions with some of the other leaders, some have said, "why don't you become full members

instead of just observers"? I have answered that we are looking at it. Our position now, and I took it as a result of my visit to three Latin American countries a year and a half ago, is that they are not all agreed on the use and validity of the OAS, and are in the process now of reassessing it and looking at the statutes to see if they could be changed, and so on. We have taken the position, okay, make your own reassessment and see what you, yourselves, want to do with it, and come and tell us if you want us to join, or join you in changing the statutes and so on, and we will give you an answer. We do not want to go in now while they, themselves, are in the process of having a lot of doubt about its validity and the directions its taking.

Q. An Alberta provincial inquiry this week was stopped. This inquiry was looking into whether there were charges involving the RCMP in criminal conduct in the way they were investigating the kickbacks case in Alberta. That inquiry was stopped because the federal government would not give documents to that inquiry from the RCMP and from the Revenue Department which the inquiry considered important. That inquiry starts again on Monday. The federal government lawyer went back to Ottawa to discuss whether the documents were going to be released. Are you going to release those documents now, and if not, what is in them to prevent you from releasing them?

A. My answer to both questions is that I do not know. I do not know anything about the case. I do not know why they have not been released, and if they will be, I do not know what is in them. I just know that there is a general provision in the Income Tax Act which does prevent us from releasing data from the Income Tax Department except in very special and named circumstances. Maybe that is the reason.

Q. This was an agreement between the National Revenue Department and the RCMP. It is the Royal American Road Showcase.

A. I never heard of it. Why don't you phone Mr. Francis Fox or Monique Begin. I am sorry, I do not know anything about it.

Q. When we were in Berkley in the spring, you had quite pleasant a/visit with Governor Brown. I gather he is in town today. What is the purpose of his visit here?

A. I am told he wants to talk to me about the general problem of oil and gas. Perhaps it is following on the footsteps of our decision regarding the pipeline. I do not know anything more. I am just having lunch with him. I find him to be a very interesting man. I hope we do not only discuss oil and gas. He asked to see me and I said, "Sure, come over for lunch. We are having frogs legs."



Q. Just to be absolutely clear, is this an official visit by Governor Brown?

A. I guess you just made it official. He just phoned and asked if he could come and I said yes. I do not know whether he has gone through the State Department. I do not know if he is expecting 19 cannon shots at the airport. When I saw him there, it was over breakfast. I said, "Some time when you are in the east, come around, I would like to see you again." And he is coming around. I said that to a lot of people in Los Angeles!

Q. Is it your intention, based on the correspondence made public today, that should it become necessary, you would act without the unanimous consent of all the provinces to entrench language rights in the Constitution, and would you foresee, at one and the same time, patriation, and if you could, give us some time frame upon which you might <sup>want to</sup> see these negotiations and this process unfold?

A. Well, that is really so hypothetical. The letter makes it clear that I would like a full Bill of Rights as we had in Victoria, language being one of the rights we would protect, but I also go on to say, "Let us take one step at a time. All we are asking you, Mr. Levesque, is to protect the rights of the French going into other provinces in return for the protection of the English coming into Quebec and so on." I go on to say that we, ourselves, the rest of us who want to make this Canada of ours a better place, see it as one step in a larger Bill of Rights, but we are not asking you to take this step, we are just asking you to go as far as you said at St. Andrews. Let us see if you mean business. Let us see if you really care about the French minorities in the other provinces, and if you really care about the French-speaking Quebecers leaving Quebec to study or work somewhere else. If you really care about that, we can do something for you. We have other views on the Constitution, but you know, you have a referendum in mind. You want to separate. We are not asking you to renounce those aims. We just want you to sit at a table now to help protect linguistic rights as you say you are interested in.

Q. Let us go at it another way. In terms of a constitutional point, is it your view that any amendment to the Constitution would require the unanimous consent of all the provinces?

A. I think that is a question of constitutional law on which experts do not agree. They say in law only the federal government could get the Constitution amendment, but in practice, when the amendments affect the provinces, we need the provincial consent. I have the <sup>1/</sup> "opting in" provision in that constitutional proposal, as I had it in Victoria, because I do not want to have to answer the question you are

giving me by forcing my view of the law on anyone else. I am saying if one province is not ready to protect human rights to the hilt, it does not have to protect them to the hilt, it can go just this far.

As I said in my letter to the premiers of the provinces last January, here is a proposal which protects human rights. We want to entrench them for the federal government -- speaking of linguistic equality. We hope that other provinces will also want to entrench this for their minorities, but we are not forcing you now. We will have an opting in provision. And this is what I am offering to Mr. Levesque now as I offered to the other provinces in my letter of last January.

In other words, your question may be valid. It is a question of law that I suppose lawyers and politicians can speculate upon, but in practice, I am avoiding that question. I am saying, "Look, I do not want to force French or English down anyone's throat. I am proposing something that you all say you want to have, let us do it." When I am saying that, I am obviously saying I am not going to do it unilaterally. I am looking for a formula to do it by agreement. Whether I have the right under the Constitution of doing it unilaterally is something you would have to speculate upon.

Q. Mr. Prime Minister, how do you respond to an observation that the promotion of national unity is becoming one of the fastest growing industries in Ottawa and the criticism that, perhaps, the federal government is devoting too much time to national unity when it could be promoting things like economic issues?

A. I think the question answers itself. I do not think you can spend too much time promoting national unity. After all, if you do not have a country, what are we talking about? So, anything we can do to keep this country strong and united is good. I do not agree with those who say, "If you only solved the economic problem, there would be no national unity problem." You know, we have had national unity problems through prosperity and depressions and everything else. It is a very simplistic thing to say if only you had less unemployment in Quebec you would not have any separatists. You might have less, you might have more. It is a very, very simplistic way of looking at the problem. Therefore, we have to work towards keeping the country stronger, and we have to work at better laws, better economics and better international relations and everything else.

Q. Given what you had to say in your letter to Premier Levesque on the subject, what advice or support will you give the other minority groups who want to fight Bill 101 in the courts?

A. I advise them to vote Liberal at the next provincial election. If we can beat Mr. Levesque at the polls, that is it. If you have a government which makes laws that are bad for the minorities, and if those laws are not ultra vires of the Constitution, the only thing you can do is either disobey, if your conscience commands that, or prepare yourself for the next election and get rid of that bad government.

Q. Have you received from the Indian Premier any response to your communication about nuclear safeguards?

A. A thank-you letter saying that he was grateful I had sent him some of the technical details and expecting that, perhaps, we could make progress if some of our officials could get together.

CANADA

THE CANADIAN MINISTRY  
(According to Precedence)

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(par ordre de préséance)

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Prime Minister

Le très honorable Pierre Elliott Trudeau,  
Premier ministre

The Honourable Allan Joseph MacEachen,  
Deputy Prime Minister and President of the Queen's Privy  
Council for Canada

L'honorable Allan Joseph MacEachen,  
Vice-Premier ministre et Président du Conseil privé de la  
Reine pour le Canada

The Honourable Jean Chrétien,  
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L'honorable John Carr Munro,  
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L'honorable Stanley Ronald Basford,  
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L'honorable Jeanne Sauvé,  
ministre des Communications

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Leader of the Government in the Senate

L'honorable Raymond Joseph Perrault,  
Leader du gouvernement au Sénat



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ministre du Revenu national

L'honorable John Henry Horner,  
ministre de l'Industrie et du Commerce

L'honorable Norman A. Cafik,  
ministre d'Etat (Multiculturalisme)



TRANSCRIPT OF THE PRIME MINISTER'S PRESS CONFERENCE  
IN OTTAWA, OCTOBER 6, 1977

TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A OTTAWA, LE 6 OCTOBRE 1977

THE PRIME MINISTER: I would like to make an opening statement to explain why I have Mr. Dasford and Mr. Lalonde here. I expect to be asked some questions about Bill 101. Our decision was based in large part on the advice we got from the Minister of Justice, and he may want to stay after the conference to fill any legal minds in, though I expect he could take questions during my forty-five minutes.

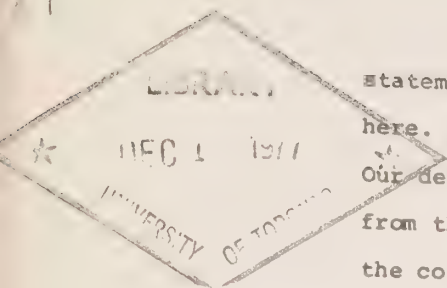
Mr. Lalonde, as Minister for Federal-Provincial Relations, is present, and he has been in contact with the provinces in the context of some of our decisions. He too will be available for questions.

Essentially I will make a short statement on Bill 101 and what we are doing about it. I think that is expected. Let me just put it in the context of something I said right after the election of the PQ government, on November 24. I said that the PQ would really only ultimately be defeated by the electoral process, and that has been the governing line in all our conduct with the government of the Province of Quebec since it was elected in the middle of November. For that reason we have taken a clear decision not to disallow or to reserve Bill 101, for those who are interested in disallowance.

I think a short word of explanation might be in order. Had we disallowed that bill, as I said at an earlier press conference, the bill would have had no effect except that the PQ government could have re-enacted another bill right away exactly like it, and that could have gone on for a while. I am afraid it would not have. I am afraid it would have provided Mr. Lévesque a very good and golden opportunity to say, "Well, here is the federal government disallowing something which is passed by a democratically elected government within its area of jurisdiction. I am going to go to the people on it." Quite frankly, if I think Mr. Lévesque's government and his policies should be defeated at the polls, I don't particularly want to give him the choice of the planning or of the issue. So no disallowance, no reservation of Bill 101.

It was suggested we should refer the bill to the Supreme Court. Our thinking on that is somewhat along the same lines. A reference to the Supreme Court without having gone through the provincial courts first might result in the bill being found *intra vires*, in which case Mr. Lévesque would have a good laugh at us. "Here are the feds trying to interfere in our legislation, and their own courts feel we have done nothing wrong." A reference might result in the bill being ruled *ultra vires*, and Mr. Lévesque would have a good issue to fight the court on. "Here are the feds referring this bill to the Supreme Court which is packed with a majority of English-speaking judges; they don't even let

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our judges look at it. I don't accept the judgment of the court. I will have an election on it to see if I am returned." I don't particularly want Mr. Lévesque to have the choice of the timing or of the issue on an election, so we didn't refer the bill. We will not. We do realize, though, that there are some provisions in the bill which are probably ultra vires, and the Minister of Justice can give you more details, but we are happy that some citizens in Quebec, as is their right, will have taken initiatives to contest the validity of certain parts of the bill. We have made it quite clear that we would intervene in any judicial process where constitutionality would be invoked. We would be *mise en cause* to use the technical expression, interveners, and we would plead our thoughts on the constitutionality or otherwise of the particular section which came before the court. That would permit any sections which gave citizens of Quebec cause to believe that they were aggrieved to go before the Superior Court of Quebec and the Appeal Court of Quebec and eventually the Supreme Court of Canada, if necessary. So that, in a few words, is our position on Bill 101.

What, then, are we doing about languages? Well, I just call to mind the initiative that I took early in September which was followed by answers by several premiers. A reply from me went off today to Mr. Lévesque with copies to the other premiers. I attempt there to clarify some points which apparently weren't clear in my first communication. However, essentially, what I am telling Mr. Lévesque and the other premiers is, "Look, all of you agreed at St. Andrews that we should protect our English and French speaking minorities in our respective provinces. You couldn't agree on the way to do it, so here is a way." It would be a constitutional amendment. There have been screams of "special status" offered to Quebec. That, of course, has not been done. Special status, insofar as the jargon means anything, is a concept of federalism which means some provinces have more power to legislate than others. There was nothing of that in my proposal. There was an opting in formula wherein I said to Mr. Lévesque, "If you don't want to go all the way toward full freedom of choice for the language of education, which is our policy and which hopefully will be that of most other provinces, you can go part way, and we will leave you a choice of opting in completely sometime later." So this is an opting in process which is not invented for Mr. Lévesque on this particular occasion. It is something we brought in for the first time at the Victoria Conference in 1971 where we had the concept of a bill of rights and where we had in that bill of rights linguistic guarantees. We said, "Look, we are not going to force it down the throats of all the provinces; let those who can accept it accept it, and others will opt in over a period of time." You will recall that the results were that I think seven provinces opted in and the other three said that they would consider it over a



period of time.

My proposal now has exactly the same effect. Some provinces may not be able to say yes right away. Some of them may be able to say yes in part, and they would have this choice. I just want to underline the second point. Apparently it was misunderstood in my offer to Mr. Lévesque: "Here the feds were really dignifying Bill 101 and accepting it." It was quite clear in my letter to Mr. Lévesque that we did not agree with this policy, that our policy was still full freedom of choice, but that we realized that Bill 101 was law until it was either changed by the courts or by some government democratically elected. Therefore, we said to Mr. Lévesque essentially this: "You have taken away some freedom of choice, not from the Anglos in Quebec, but from those who might move to Quebec, and you have taken away freedom of choice from French-speaking Canadians. Let's at least consider that to be a floor. Let's make sure that you are not going to take anything more away, and let's put that into a constitution which would at least guarantee the English-speaking Canadians in Quebec now that they will not be worse off next time a Bill 101 is brought in."

Second, we added to Bill 101, the so-called Canadian clause. We added the provision that people moving into Quebec from other provinces would have full freedom of choice or choice to go to English schools, which Mr. Lévesque offered at St. Andrews but which, of course, wasn't in Bill 101. Essentially my proposal was, let us guarantee at least the minimum and add to that minimum freedom of choice for people coming into Quebec. That is the rationale. Mr. Lévesque has other difficulties with it, but my letter attempts to meet them.

Eh bien, en gros, je dis que le Gouvernement Fédéral n'a ni désavoué le bill 101 et la loi qui en découle, ni décidé d'en référer à la Cour Suprême.

Par contre, nous allons donner notre appui, nous allons être mis-en-cause devant les tribunaux du Québec, à chaque fois que ce bill ou cette loi sera attaquée par les citoyens du Québec.

Il y a tout un raisonnement derrière cela, mais l'essentiel de ce raisonnement, c'est que nous pensons que les idées de monsieur Lévesque et de son parti, cette idée de fractionner le Canada, au fond, ne sera, en dernière analyse, combattue effectivement que par les citoyens, et non pas par le Gouvernement Fédéral, par voie de désaveu, ou même par la Cour Suprême.

Autrement dit, c'est l'idée du séparatisme qu'il faut vaincre. Et de là, il suivra que les lois qui tendent à diviser le Canada seront retirées.

Je dis un mot sur l'initiative que j'ai prise au début de septembre en écrivant aux différents premiers ministres des provinces, suite à la conférence de St. Andrews.

Un des objectifs de cette conférence, vous vous le rappellerez, était de permettre aux différentes provinces d'obtenir des garanties pour leurs minorités linguistiques, et d'en donner, des garanties. Monsieur Lévesque avait une formule: les ententes entre les provinces; les autres provinces avaient une autre formule: l'action unilatérale de chaque province. A quoi monsieur Lévesque a dit: "Eh bien, ça ne garantit rien. On ne sait pas s'ils vont tenir parole."

Alors, j'ai proposé que l'on mette dans la Constitution du Canada les droits linguistiques des minorités.

Monsieur Lévesque a dit: "Ah, pas question, parce que vous nous enlevez de notre juridiction dans le domaine de l'éducation. - J'ai dit: il ne s'agit pas de ça. L'éducation ne pourrait faire l'objet de lois dans la province de Québec que par le Gouvernement Provincial. Ma proposition ne donne aucun pouvoir au Gouvernement Fédéral. - Alors, il a dit: oui, mais par ailleurs, votre proposition aura pour effet que les tribunaux pourraient contrôler l'exercice de notre juridiction. - Eh bien, ma réponse, c'est que: bien sûr, mais toute déclaration des droits a cet effet."

Dans le programme du Parti Québécois lui-même, on propose une déclaration constitutionnelle des droits, qui n'a de sens que si elle limite le pouvoir de la législature de porter atteinte aux droits des citoyens.

Troisième point, monsieur Lévesque dit: "Ah oui, mais alors, ces infractions prétendues aux lois seront jugées par la Cour Suprême du Canada, un tribunal composé en majorité de juges anglophones. - Ce à quoi, évidemment, je réponds dans ma lettre: eh bien, d'abord, les lois seront jugées par des tribunaux québécois: la Cour Supérieure et la Cour d'Appel qui sont composées en majorité de juges francophones."

Mais je rejette surtout cette idée que les tribunaux ne peuvent pas rendre justice à un individu à moins qu'il appartienne à une classe sociale ou un groupe linguistique qui soit représenté en majorité. C'est un rejet complet de la conception des tribunaux qui sont justement là pour protéger les pauvres dans les conflits sociaux, protéger les minorités dans les conflits raciaux. Et c'est le rôle que les tribunaux jouent dans les pays démocratiques.

J'espère que dans la conception de monsieur Lévesque d'un Québec indépendant, où il y aura aussi des tribunaux, j'espère qu'il admettra que les tribunaux, dans son idée d'un Québec indépendant, rendront justice, même s'il n'y a pas une majorité d'anglophones sur ces tribunaux d'un Québec indépendant.

Alors, je pense que sa logique est inacceptable, pour cette raison-là, surtout de son point de vue, du point de vue des Québécois pour enfin donner aux minorités francophones des autres provinces une garantie constitutionnelle qui leur permettra d'en appeler aux lois provinciales qui ne rendent pas justice à la minorité francophone, j'implore monsieur Lévesque de revoir ses positions et de consentir à cet amendement constitutionnel que je lui propose.

Q. Monsieur le Premier Ministre, dans votre lettre, à la page 9, où vous parlez de là où le nombre le justifie, là où on dirait que les provinces, avec votre garantie, n'auraient plus le choix, ou ne pourraient plus déterminer à leur gré quel doit être le nombre, qu'est-ce que c'est, le nombre qui justifie, ça, ça devrait être établi par les tribunaux en suivant une déclaration explicite des droits des minorités.

Or, qui déterminerait ces droits ? Et, est-ce que ce n'est pas un peu donner raison à monsieur Lévesque qu'une garantie à laquelle on donnerait une déclaration explicite où on indiquerait un nombre, serait fixée finalement par Ottawa qui prendrait une partie de la juridiction ?

R. Non. Ottawa ne fixerait absolument pas le nombre.

S'il y a un nombre mentionné, il le serait dans le document constitutionnel lui-même. Nous n'avons pas objection à parler d'un nombre précis: 25 enfants pour une école, ou 50 familles, etc. Nous n'avons pas objection à cela. Et ce serait les provinces entre elles qui diraient ce qui a du bon sens comme nombre.

Moi, je crois personnellement que ça serait peut-être une erreur de mettre le nombre dans la Constitution, en ce sens que ce sont des problèmes administratifs.

Qu'est-ce qui est économiquement faisable ?

La garantie, au fond, c'est que si c'est faisable dans le Québec, et on a cent ans d'histoire pour le prouver - si c'est faisable dans le Québec d'avoir une école pour les anglophones, pour desservir,

disons, 50 familles, les tribunaux diront: eh bien, c'est administrativement possible. Alors, vous ferez la même chose en Colombie lorsqu'il y aura 25 familles, ou vous ferez la même chose à Terre-Neuve lorsqu'il y aura 25 familles.

Autrement dit, ce sont des décisions d'ordre administratif. Les tribunaux auront complète compétence pour juger ce qui a du bon sens.

Remarquez bien que si monsieur Lévesque n'est pas content de cela, je suis tout à fait prêt à mettre dans un amendement constitutionnel un chiffre. Un chiffre qui aurait du bon sens, et que les tribunaux seraient liés par ce chiffre.

Mais j'évoque encore une fois comme je l'ai fait très souvent, une cause célèbre aux Etats-Unis, dans BROWN vs THE BOARD OF EDUCATION. La Cour Suprême doit - tous les tribunaux doivent prendre un certain nombre de décisions administratives. Ils doivent juger ce qui a du bon sens. Et, encore une fois, au Canada, on a une situation heureuse: ça permettra aux tribunaux de regarder l'exemple, disons, du Québec ou peut-être du Nouveau Brunswick, et de dire: bien oui, c'est possible d'avoir une école pour 25 familles, c'est possible pédagogiquement. Alors, il y en aura dans toutes les provinces et tous les villages où il y aura 25 familles minoritaires.

Q. Mr. Prime Minister, I understand the political reasoning you gave against disallowance, but the difficulty I have is this: the first page of your statement of position on Bill 101 states very starkly that it will adversely affect the unity of Canada, the fundamental rights and freedoms of Canadians and the mobility of Canadians in the country. It reads like a statement for disallowance. Is there not a point at which the federal government, having stated that a piece of provincial legislation is detrimental to national unity, fundamental rights and mobility of movement, has an obligation to use the power of disallowance it possesses to strike down that legislation?

A. I guess that is a matter of political judgment. My answer is no, and I suppose it is based on something like 35 or 40 years of history in Canada. There are many laws of provinces which have been found objectionable, and my government nor any other for the past 35 or 40 years has never wanted to disallow any, feeling that the recourse should be either to the courts, if the law is ultra vires, or to the people so that they would throw out the government which passed such bad laws and put a better government in. In my mind this concept of disallowance has always been linked to bills of rights. You will recall that even at Victoria the federal government proposed to get rid of the power of disallowance provided the provinces accepted a bill of rights which would not permit the enactment of things by provinces which are disruptive to our unity and our freedom. That is why at the same time as I say no disallowance I propose an element of a bill of rights which would correct the worst aspects of Bill 101, those affecting freedom of movement into the province of Quebec, and I say, let's create pressure amongst the electorate to get Mr. Lévesque either to opt in further or, if he doesn't, to get some opposition party to combat him by saying it will do better in the particular area that is discussed.



Q. Are you saying that for all practical purposes the power of disallowance is ineffective?

A. I suppose I have been saying that for some 25 or 30 years. In a mature society the recourse of an electorate which does not like the laws of a province should not be to run to some superior government in Ottawa to say, "You do our dirty work for us and get rid of the bad laws of this government." My attitude has always been -- and I've taken it in the worst days of the Duplessis era and that of other governments -- that if you don't like the laws and if you think they are that bad, don't go running after your mother's apron strings. Take your responsibilities and defeat that law in the courts, if it is bad, and if you can't do it in the courts, defeat it at the polls. I think that view was shared by a lot of people in Quebec when they threw out Mr. Bourassa because they didn't like his Bill 22. Let's hope they will do the same with Mr. Lévesque.

Q. At your last conference you were saying you were preparing a response to Bill 101 and that you would be preparing a response to the Quebec government's White Paper on referendums. We do not have material; I wonder if you have a response.

A. I didn't want to blow the whole thing today. Maybe next week we can give you some material. I think for today's purposes I could repeat the essence of what I said last time, and it was very short. We wouldn't be bound by a referendum, or a plebiscite, to use a more technically correct word, because that is only a sounding of opinion. It is a kind of Gallup Poll that the province will organize, and if the questions are not black and white and quite clear, and if the rules of the game for participating in the educating of the electorate as to how they should vote are not open, then we will just make it quite clear that nobody should be in the least influenced by such a Gallup Poll. What we find particularly detestable in the White Paper -- but here, of course, we don't know what the law will eventually say -- is the infraction, the attack on freedom of association. We think that is absurd and unacceptable, and we hope that the law drawn from the White Paper will revise the present view of the PQ government on that. We think that citizens in a democracy should be free to associate, to combat political ideas and that they should be able to associate according to their view of that freedom and in the numbers and in the way they want.

I should perhaps add something which has been said many times by many of us. Not only will we not be bound by an expression of opinion in a plebiscite which is unfairly operated, but we will not be bound by any law which prevents us as citizens of this country from speaking out in Quebec for one or the other point of view on the question. It is clear



that all "Our caucus, I suppose members of Parliament from other parties and I hope any citizen who wants to go out to speak will not be prevented from speaking by any law which attempts to take this right away. If that were done, I am quite sure that aspect of the bill would be judged ultra vires by any court before which it went. However, here again we are talking in the abstract because we don't have a bill. We have a White Paper which is out for discussion, and I think you have our views on it. However, we may have another piece of paper for you next week.

Q. Monsieur Trudeau, si vos propositions constitutionnelles ne permettent pas de reconnaître un statut particulier au Québec, elles permettent tout au moins de tenir compte de circonstances particulières qui font que le Gouvernement du Québec se sente obligé de passer une telle loi, et lorsque l'on regarde la liste des raisons en vertu desquelles vous vous opposez à cette loi, on se demande ce qui reste de ces circonstances particulières ?

R. Eh bien, j'ai dit depuis le début, et je crois que c'était aussi la position de plusieurs autres ministres, que nous ne partageons pas la crainte du gouvernement péquiste pour ce qui est de cette crainte que le fait français est en train de disparaître au Québec. Et nous avons mis en doute les statistiques sur lesquelles cette thèse était appuyée.

Je ne pense pas, quant à moi, que le français soit en régression au Québec. Au contraire, on peut regarder des indices numériques dans des villes comme Québec ou des régions comme les Cantons de l'Est; on peut regarder le degré de scolarisation de la population québécoise; on peut regarder le degré de pénétration par les média francophones dans le Québec. Je pense que vous verrez tous les indices du monde comme quoi le français n'est pas en régression dans le Québec.

Ceci étant dit, il reste que notre optique à nous devant un tel péril, s'il devait exister, ce ne serait pas de se recroqueviller derrière des frontières; Ce serait de valoriser la langue française en valorisant le peuple qui en est le porteur, qui s'exprime par la langue française.

Alors, ce sont différentes optiques. Nous ne partageons pas celle du Gouvernement de la province de Québec. Nous savons qu'il a donné ses raisons.

Plus important, nous savons que le bill 101 est devenu loi. Et c'est un fait dont il faut tenir compte, encore une fois, jusqu'à ce que les tribunaux ou l'électorat rejette cette loi.

Pour ce qui est de ce que vous appelez des "circonstances particulières", eh bien, on a montré, dans le passé, énormément de souplesse. Sans entrer dans le statut particulier, la formule du "opting in" dont je parlais tout à l'heure, cette formule qui permet à des provinces d'accéder les unes après les autres à certains droits, reconnaît le tempo différent des différentes provinces.

Monsieur Lalonde, dans son domaine des Affaires Sociales, a mis au point un programme pour les Allocations Familiales, qui permet aux provinces de les appliquer différemment.

Alors, bien sûr, on reconnaît des différences d'une région à l'autre, d'une province à l'autre.

Mais ceci ne justifie pas à nos yeux qu'une province ait beaucoup plus de droits qu'une autre :

Q. Just to change the subject, in a little over a week's time the Queen is going to be arriving in Canada. Do you think this is an inopportune time for the Queen to be coming to Canada? This is a crucial time in our history when a fairly large segment of the population, notably in Quebec, does not take too kindly to the monarchy.

... I had not heard that they didn't take too kindly to the monarchy. If that is your opinion, you could debate it with me some other time, but I think she was very well received in Quebec last year at the time of the Olympics. This time, because she is only coming to the capital region, that test will not be made, but there is going to be a luncheon a week from Sunday which I am told Mr. Lévesque will attend, so insofar as he will be there, he presumably doesn't share your views either.

I do not think it is an inopportune time. It is the 25th anniversary of her coronation, and it is timed with the opening of Parliament. I think it will be a very fine occasion. I hope you will be there.

Q. This federalism is now 110 years old, and this is the first time that there has been an intervention in favour of a minority, the Anglo-Quebec minority in Quebec. There has never been an intervention before in favour of, let's say, the French Canadian minorities in other provinces. Do you not feel that the reaction of your government, if it is not an over reaction, will tend to drive Francophone Quebecers into being more deeply convinced that this central government is not theirs but the government of the majority of this country, which is English-speaking?

A. Since you are going to make a speech, would you put in the speech what the intervention is? Then I would be able to answer your question.

Q. Do you not think that they will be forced to feel that they should be a majority within their own boundaries?

A. Your question is based on the fact that we have intervened. Would you please tell me what you mean by intervention? How have we intervened?

Q. The position of the federal government on Bill 101 is, as I see it, a kind of over-reaction. This has never happened before in Canada.

A. But in what sense are we intervening? Are we intervening because we are expressing an opinion? Federal governments have said many times that they did not like provincial laws. Many groups have said that. We said that about Bill 22. We said we did not like it. I said that in Quebec City. This is not the first time we have intervened in the sense of expressing an opinion, but in what other sense are we intervening?

Q. You spoke against Bill 22, but the federal government never took any official position against...

A. Wrong again. Maybe you were not in Canada then, but when Bill 22 came out, we published a federal government

position on Bill 22, as we have on Bill 101. We are not intervening. The whole burden of my answer is that we are not disallowing, and we are not even referring it to the Supreme Court. Citizens of Quebec are intervening. They are taking it before the courts in Quebec, and in that sense we will be *cause* ~~mise en cause~~ there to protect that minority just as we are *cours* ~~mise en cours~~ in a case in Manitoba where a French-speaking Manitoban has taken the Manitoba government to the courts in order to protect his minority rights as a Franco-Manitoban. The Minister of Justice then advised that we be *cause* ~~mise en cause~~ there in the same way, and we have. Your facts are pretty wrong. They are not pretty wrong; they are absolutely wrong.

Q. I would like to ask a joint question to Mr. Basford and to Mr. Trudeau. Presumably the Justice Department has put together the best advice or the best analysis it has with regard to the constitutionality aspects of Bill 101, and in Mr. Trudeau's letter there are suggestions that there are some parts of it which are of doubtful constitutionality and so on. Would you be prepared to tell us what those parts are which are of questionable validity and give to us this analysis which, I assume, is the best analysis you can find? I would extend this to Mr. Trudeau and ask him whether he will do the same thing with regard to the White Paper on referendum. Will he also make available to us the analyses received from, presumably, the best people he can find?

A. On Bill 101 I can answer very briefly, or you can have Mr. Basford speak at some length, whatever you prefer. Mr. Basford could stay on later to answer at greater length.

MR. PHILLIPS: I am taking it, Prime Minister, that in view of the importance of the subject matter and the fact that we had some rather lengthy opening statements, everyone here is agreeable to a somewhat extended news conference today if that is all right.

A. All right. I will answer briefly, and Mr. Basford can extend the news conference.

There are three main areas in Bill 101 insofar as language of education by and large. Subject to particular applications we are not convinced that it is ultra vires. It may be ultra vires in particular cases, and the Minister of Justice will look at particular cases which come before the courts, and we will plead them. We are certainly not rejecting in advance any right to appear and contest the constitutionality. However, the one area where we think there is more likely to be ultra vires is in the area of Bill 101 and its application to the courts and to the legislature and Mr. Basford will explain what measures he is taking to be a *cause* ~~mise en cause~~ in a particular case which has been brought up now in Quebec. In between there is a series of measures which



apply to businesses. Here again they may or may not be ultra vires, depending on whether they, for instance, infringe on freedom of movement of goods between the provinces, interprovincial trade, or whether they in some way affect freedom of expression or democratic rights to advertise in one language or another. So it is a complex subject, but here again, if you want greater details, I suggest that there be a supplementary later.

Q. Will you release a report on it?

A. Just take notes of what he is saying and I am saying, and that will be your report.

Q. If we are to evaluate the wisdom of your decision, we should have some idea of the input which went into those decisions, and that includes that Justice Department report.

A. Oh, it does. I think you have an elected representative of the people here who is going to speak in the name of the government as advised by various lawyers in the Department.

Q. With respect, that doesn't meet my point about evaluating.

A. I know, but what you can do is hire your own lawyer if you do not agree with this particular lawyer.

MR. PHILLIPS: I take it you are willing to stay on a few minutes after, Mr. Basford.

MR. BASFORD: Yes.

Q. I want to know if the intervention on the part of the federal government will be restricted only to appearing before the courts and putting its point of view or if there is going to be financial support offered to citizens or groups who attempt court action relative to sections of Bill 101.

A. There is no positive policy of offering financial support. You know I do not exclude that in very hardship cases. The federal government has done so, I believe, in cases of some of our native people. The federal government might see its way clear to assist them in researching their legal cases and so on, but we gave no financial assistance in the Forest case in Manitoba. None was asked that I know of, in the case of Quebec. I do not think that the Quebec Anglo Saxon English-speaking minority is an impoverished one. I do not think they will be coming to ask for financial assistance. At any rate, there has been no positive decision to assist them in that way.



Q. After having seemed like you are lying in the weeds not really knowing what to do about this business in Quebec since November ---

A. Where would you get a metaphor like that?

Q. -- are we correct in saying that you are now beginning a federal counter offensive of some kind after a long time of really not doing very much?

A. No, and I hope you won't write the headlines that way. This is no aggression on Quebec in any sense. It is not even an interference, to use Payette's words. It is a continuation of the good relationship that I have always had with Mr. Lévesque. We said after the government was elected that insofar as they did things within the framework of Canada, we would continue with business as usual. Rather than affront them or confront them with disallowance or reference to the Supreme Court, we are being very low key and begging him for cooperation in a constitutional amendment, so do not underscore what might appear to you to be some of the hard lines in these papers you have been given. Underscore that we are attempting again to find reasonable solutions to problems of minorities which concern all of us, in the weeds or outside them.

Q. Deux questions, monsieur le Premier Ministre:

Une première question. Vous dites ne pas partager la crainte du Québec quant à l'avenir des francophones au Québec.

Les statistiques disent cependant que le pourcentage des francophones est en régression et que les francophones n'y ont peut-être pas la place qui leur convient.

Sur quoi vous basez-vous pour dire que le Gouvernement du Québec a une fausse opinion quant à l'avenir du français au Québec ?

R. Eh bien, quand vous citez ces statistiques-là, vous parlez des minorités francophones dans les autres provinces. Vous ne parlez pas du fait français dans le Québec.

Le français n'est pas en régression dans le Québec, statistiquement.

Il est en régression dans les autres provinces, et c'est précisément pour protéger les francophones dans ces autres provinces que j'ai fait la proposition dont il s'agit à monsieur Lévesque.

S'il craint pour les minorités des autres provinces, et si vous craignez pour elles, qu'elles sont en voie de s'affaiblir et peut-être de disparaître, vous avez raison, et c'est pourquoi je l'adjure de faire quelque chose, plutôt.

Lui a proposé à St. Andrews des ententes entre deux provinces.

On sait fort bien qu'une entente ne vaut que le temps que le politicien en question est là, qui l'a signée. Il peut faire une entente avec, disons, la Manitoba; et le mois prochain, le Gouvernement Manitobain ne serait plus là. On dénoncerait l'entente, et on dirait: "On a changé la politique linguistique."

Ce que nous proposons, nous, et ce que monsieur Lévesque devrait voir, c'est un amendement constitutionnel qu'aucun gouvernement provincial ne pourra changer, quel que soit sa couleur.

Q. J'aurais une autre question à poser:

Qu'est-ce qui vous permet de croire, ou en tous cas, d'affirmer que votre proposition à vous aux provinces, avec sa clause d'option, l'éventualité d'intervention et d'interprétation judiciaire, à partir de critères qui ne sont pas définis encore, - qu'est-ce qui vous permet de croire qu'elle est une garantie plus grande - je pense que les termes utilisés, c'est: "de certitude et de permanence" - que la proposition du Québec dans les Accords bilatéraux ?

R. Eh bien, je viens de répondre.

Lorsqu'on signe un accord bilatéral entre provinces, ça reste un accord qu'un gouvernement peut changer en faisant campagne, en disant:

si vous m'élisez, moi je ne continuerai pas de protéger la minorité francophone, disons, de telle et telle province. Mais quand c'est dans la Constitution, aucun gouvernement provincial ne peut soustraire à cette minorité-là les droits qu'elle a acquis en vertu de la Constitution.

Vous parlez de propositions vagues. Je répète la même réponse que j'ai donnée à Jean Rivard tout à l'heure: quand la Cour Suprême des Etats-Unis dit: il faut intégrer les noirs et les blancs, vous pouvez dire: eh bien, qu'est-ce que ça veut dire? Est-ce qu'il faut des écoles partout? Est-ce qu'il faut des ascenseurs partout? Il faut les intégrer. Il faut appliquer ça dans la loi. Et ensuite, on trouve des formules administratives pour l'appliquer dans la loi. Ça s'appelle du "bussing" ou quelque autre formule.

Mais, je le répète: si c'est la crainte véritable de monsieur Lévesque ou la vôtre, nous sommes prêts à mettre des critères beaucoup plus précis dans la Constitution. Ce n'est pas d'usage de le faire, mais nous sommes prêts à le faire si les provinces peuvent s'entendre comme vraisemblablement elles l'auraient fait dans les ententes que propose monsieur Lévesque. Il aurait peut-être proposé des nombres: "lorsqu'il y aura 25 familles francophones dans un village chez-vous, il y aura une école. Lorsqu'il y aura 2,000 universitaires dans votre province, il y aura une université."

Ca devait être ça qu'il avait en tête dans son entente. Si c'est ça qu'il veut voir dans la Constitution, soit, nous l'y mettrons.

Q. Despite what you said earlier, Prime Minister, about resorting to apron strings, I suspect that there are quite a few Anglos in Quebec who feel that in the matter of Bill 101 they have been abandoned by the federal government, since it has not intervened or disallowed it, and indeed there may be some people who accept that as the price to be paid to keep the majority of Quebec in Confederation and to keep the country together. Do you accept such a bald rendering of the situation, and what would you say to Anglos in Quebec who might have that feeling?

A. I would agree with your premise. There are probably a lot of English-speaking Canadians in Quebec who are using that language or thinking that they have been abandoned. It does not help the situation, but I refer you to other questioners here today who conveyed that feeling on behalf of a lot of Franco-Canadians in other provinces who feel that they have been abandoned, too, by both the French in Quebec and by federal governments. We are trying to do neither. We are trying not to abandon them, and that is one reason, as I explained earlier, why I am making this proposal to Mr. Lévesque. We are saying, "Okay, Bill 101 is law. You were elected democratically. A lot of Anglos, unfortunately, didn't vote against you. You made the law. We are going to ask you at least to make that law more generous by permitting the Anglos in Quebec to be reinforced, as it were, by Anglos moving from other provinces into Quebec." Bill 101 does not do that. Mr. Lévesque said at St. Andrews that he would be prepared to do that if certain things were done. Well, we are putting him to the test. Is he really prepared to do that? Therefore, the main fear of

the English-speaking Canadians of Quebec is that of being abandoned, that of not being able to be reinforced from the outside by people moving into their province, which has not only adverse consequences on culture but obviously on the economy as well. We are proposing now something that will obviate that very serious difficulty, and once again, insofar as abandoning, we are putting a floor. We are saying to Mr. Lévesque, "Okay, you haven't take any rights away from the Anglos in Quebec." Has he? He has taken rights away from the Francos in Quebec by telling them they cannot go to English schools, but the English people in Quebec can still go to English schools. We are just saying, "Don't next year come around with another bill which will then begin to reduce the number of English schools in Quebec." I think that is the great value to the fear of being abandoned in Quebec by the English-speaking population. If this amendment is accepted in the constitution, the rights they have now will not be reduced. So there is no abandonment. However, once again on the metaphor of apron strings, I think it is very important for the English-speaking minority in Quebec to stay around and fight politically because once again that is where it will be won. in

some participation of the people in Quebec in a democratic process, election, referendum, I don't know, but for the federal government to intervene in a way that Mr. Payette was hypothetically complaining about I think would be counter productive. The French-speaking population in Quebec might say, "What are you doing now? You are rushing in to help the English people of Quebec. Why didn't you do it 70 years ago for the French-speaking in Ontario or in Manitoba?" More important, I think it is vital that if Quebec is to remain a heterogeneous society with lively minorities, those minorities have to exercise their political rights and organize themselves to do that and not just rely on the fact that big brother in Ottawa is going to help them.

Q. Do you not feel intellectually a little uncomfortable about talking about enshrining basic rights and having exceptions made? For example, you used the phrase "elements of a bill of rights". Does that bother you intellectually?

A. As I say, "elements of a bill of rights". I just say that rather than having a bill of rights now proposed to provinces which talks of freedom of speech, freedom of movement, freedom of religion, freedom of thought, freedom of language and freedom of education, I am just taking one element, freedom of language of education, so in that sense I am not intellectually uncomfortable with doing things one by one. I proposed as recently as last January to all provinces a total bill of rights including language rights. However, you know that I haven't had all that much success with it from Quebec and from other provinces, so I say, "Okay, at St-Andrews the ten of you together without the federal government reached some kind of common objective on protecting - rity



rights in your provinces. Here is an element of a bill of rights which will allow you to do it."

As far as the other aspect of your question on opting in, I repeat that I am not intellectually bothered by that because that is precisely the formula which was elaborated on at Victoria and which everybody found to be a great idea because at the time it was a question of guaranteeing rights in the courts and rights in dealing with governments and so on across Canada as we had in our federal language law. Are we saying, "How many of you provinces are prepared to be bound by your provincial official ~~of course~~ language laws which will be more or less like ours"? Of course, New Brunswick said yes, and Ontario said yes, Manitoba said yes, and a couple of premiers said, "Well, no, not yet, but we will think about it. Let us opt in." I was not intellectually scandalized by that. Were you?

Q. Vous me corrigerez si je me trompe, mais il me semble que dans votre lettre à monsieur Lévesque d'aujourd'hui, vous faites essentiellement la même offre que celle que vous avez faite au début de septembre, avec des clarifications.

Alors, la question que j'aimerais vous poser, c'est: qu'est-ce qui vous permet de penser - votre offre du 2 septembre, ça ne lui avait pas pris très longtemps à y répondre, et à répondre négativement, peut-être moins de trois heures - qu'est-ce qui vous permet maintenant, un mois plus tard de penser qu'il va répondre de façon positive? Est-ce qu'il y a quelque chose que vous ne savez pas? Ou est-ce que vous pensez qu'il s'est assagi avec le temps? Ou si vous pensez qu'il va encore refuser, pourquoi est-ce que vous la faites?

R. Eh bien, deux raisons. Les deux, je pense, sont exprimées dans ma lettre.

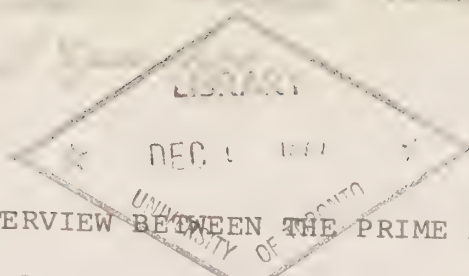
La première, c'est qu'il a effectivement répondu très rapidement et il a donné dans sa réponse des arguments que j'estime faux. Il a peut-être été mal conseillé. Je ne pense pas que ce soit un avocat, et il ne comprend peut-être pas le rôle des tribunaux et leur rapport avec un bill des droits. Alors, je lui explique peut-être d'être un peu moins pressé, mais de songer à des arguments contraires aux arguments faux qu'il a apportés.

La deuxième raison est que je crois au dialogue dans ce domaine-là. Monsieur Lévesque est un homme raisonnable. Il a dit lui-même: "Mon Dieu, essayons la loi, voyons." Il a même dit que certains aspects de la loi le rendaient malheureux.

Je m'efforce, dans ma longue réponse à sa lettre, de montrer plusieurs aspects qui vont peut-être aggraver son malheur, et qui vont peut-être l'amener tranquillement à changer d'idée.

Voilà. Mais je citerais aussi un proverbe portugais: le pire n'est pas toujours sûr. Alors, peut-être qu'il va accepter.





TRANSCRIPT OF INTERVIEW BETWEEN THE PRIME MINISTER  
AND THE MONTREAL STAR ON THURSDAY, OCTOBER 6TH,  
1977, HELD IN THE LANGEVIN BLOCK, OTTAWA, ONTARIO.

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RH: Mr. Prime Minister, speaking as a Montreal area M.P. as well as Prime Minister, may I ask whether you are personally concerned about the apparent exodus of some of the voters from your own riding, businesses perhaps, and perhaps you could give some words of advice to these people about how they should face their future, because some of them are rather concerned.

THE PRIME MINISTER: I understand their concern. Insofar as they want advice from me, it would be not to move out but to be optimistic about the future of Canada and Quebec, and to realize that every person who moves out because he or she disagrees with Separatism is taking out of the Province one vote which hopefully will defeat Separatism whenever the plebiscite or the next Provincial election comes around. So just in strict democratic terms it would be useful for those who have hesitations about the orientation of the Quebec Government or have opposition to it to stay and fight in a democratic fashion.

Certainly I understand the human concerns of people, some of whom have been buffeted before in their lives and are a bit nervous. I just appeal to them to have confidence in the basic good common sense of the great majority of Quebecers, including, of course, the Francophone Quebecers.

RH: Could we follow that up  
Is there anything positive that you can do as an M.P., or that your government can do, to slow the apparent exodus of firms and businesses, or is it just a question of

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rhetoric and appeals?

THE PRIME MINISTER: Well, there are, depending on the kind of firm and the level of operation, as you know we have in our last budget made some very special tax concessions to regions of the country, including Quebec and including the Montreal area, so that they have economic incentives not to move. This is justified by the high unemployment in the area, whether it be in the Maritimes or in parts of Quebec. But insofar as it does not have to deal strictly with the economic operation per se but with the expectancy of the future, I guess it is not a matter of answering that by laws but by trying to create a confidence in the future. I suppose that is the purpose of my first answer and it may also be the purpose of this interview. I think it is important for the people of Quebec, particularly the ones you are mentioning, to understand the strategy, if I can use perhaps a pretentious word, of the Federal Government.

I said on the 24th November or one or two weeks after the P.Q. election that we have to make sure that that government and its policies are defeated by the electorate which means, as I said then, winning the hearts and the minds of Quebecers away from any temptation to separate and towards the idea of a great united Canada.

Now this calls for actions in many spectrums, all across the spectrum, both within Quebec and outside of Quebec, and this underlies the tactical decisions that we take. I was explaining one at the Press Conference a few minutes ago. I do not want Levesque to fight the issue of independence at a time of his choosing and on a question of his choosing. It is not that I do not trust him; it is that he is the enemy, and I think on this issue Quebecers and Canadians must be given the chance to express their opinions

about Canada, not on a trumped-up issue but in a calm atmosphere.

I repeat, had we disallowed Bill 101, as many English Quebecers were suggesting and hoping, then it is the kind of issue -- I think of Mackenzie King in 1926, going to the people on a constitutional issue rather than whether you are governing well or bad the country or a province at that time.

JD: Mr. Prime Minister, the question that arises from what you said there as well as earlier this afternoon is whether, in the interests of winning this electoral victory which you regard as essential, you have found it necessary to regard the English-speaking minority in Quebec as expendable.

THE PRIME MINISTER: Well, the short answer to that is no. Any leader, whether it be in the democratic arena or the military field, who suddenly feels that he does not need all his soldiers or all his votes is a damned fool. There is not even good justification for doing that in terms of basic self-interest. But apart from that, I do not consider any human being expendable. You must govern for the good of all, not only for the greatest good of the greatest numbers, but for the good of all. Of course, you cannot please everybody. That is another matter.

BW: Mr. Prime Minister, I think a great number of people look on the referendum as something decisive, whereas you look on it as part of the political struggle ... I know you don't like hypothetical questions, but if we could assume for a moment that Levesque wins the referendum or a majority on the question of political independence with economic association, you clearly do not regard that as the final answer to the future of this country. Would you care to tell people what sort of scenario you think might unfold after such a result.

THE PRIME MINISTER: Well, I would hope that we will have other occasions to talk about the

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referendum in a less hypothetical way, but I think I can perhaps satisfy you in part by giving some answers. If Mr. Levesque and his government take the position that the referendum is only the sounding of opinion and that they will not be bound by it, as a minimum I will take the same position. If the Canadian forces win the referendum, I do not expect Mr. Levesque to lie down or run away. He might see it as a matter of conscience to resign, I do not know, but I know that his party would not be defeated by an adverse vote in the referendum. They can only be defeated in an election.

In the same way, in a hypothetical situation where questions were so asked or opinions were so agitated that the federalist forces lost the referendum, I would not be bound by it. I would say that is an expression of opinion and I am not going to lie down or run away either. Except if I have done so miserably, I suppose, in the exposition of the federalist thesis, that if I thought somebody else could do a lot better ... some other leader.

Again the word, to be technical, is that what he is holding is a plebiscite, not a referendum. A referendum generally in the jargon tends to make a thing law; it tends to bind the one who holds it. If it is a plebiscite, it is a sounding of opinion which the government then acts upon. It says: "We have the feeling of the people and we will enact a law or follow a policy".

If the white paper from Quebec is any guidance at all, it will be a sounding of opinion. Perhaps in Mr. Levesque's eyes a sort of comparison has been made, by him or others, with a strike vote which gives the executive of a union more leverage in bargaining with the opposition. In that sense I would not be bound by a negative vote any more than Mr. Levesque would be bound by a positive one from



his point of view.

BW: If Mr. Levesque were successful in the referendum, he would at some stage expect to enter into negotiations which, among other things, would encompass the political separation of Quebec from Canada. Can any federal Prime Minister enter into that type of negotiation?

THE PRIME MINISTER: I certainly would not. Whether other people, being Prime Minister then, could or could not, I think the answer technically, of course, is that they could. You can negotiate anything you want, but before the results of that negotiation becomes part of the law of the land, a lot of other steps have to be taken.

BW: As a minimum I suppose you would have to go to the other provinces, because it would involve a Constitutional amendment.

THE PRIME MINISTER: I would not even put it in terms of the other provinces. I would put it in terms of Canadians generally who would have to be concerned if part of the body politic is being severed. I saw a metaphor somewhere that I liked and I wish it were my own. I think I invented the one about Canada not being divisible in the same sense that a doctor cannot cut a body in two and say you have two people. You just cannot do that. But I like even better the metaphor which says that Quebec will decide if it is to be independent or not, because an independent Quebec will not be Canada. It is like a surgeon who is contemplating amputation of an arm and who says to the patient: "Well, I am not going to consult you because once the arm is amputated it is no longer part of you". Canadians would want to have one big say in any severing or separation of Canada. That is why if ever this should take place it cannot be through a mere sounding of opinion as per a plebiscite which is cooked up by a provincial government.

BW: Except for perhaps the defeat of Mr. Levesque at next provincial election, do you see any early resolution of this period of trouble in Canada?

THE PRIME MINISTER: I am hopeful that it will not be with us for too long, but that will depend on how both sides play the game. If both sides are given a fair chance to express themselves fairly and freely, with mature thought and so on, if there is no bludgeoning or trickery, I would hope that the democratic good sense of Canadians and Quebecers would lead them to respect an overwhelming expression of opinion, whichever way it went. But, you know, one cannot discount the place of those against whom the vote went, whether it be one way or another.

I think a good example of the way in which I hope it would happen is the example of Newfoundland, and in

Nova Scotia much earlier, where you had a parallel situation. Very many people did not want Newfoundland to be part of Canada. But there was a fair proposition, long discussion, no threats I think, and the people were bound in a sense by the decision which the federal government took after the plebiscite. As you know, we even have in the federal Cabinet today one Newfoundlander who was against Confederation, but obviously he has been won over to Canada. The same thing happened with the separatist movements in Nova Scotia in the last quarter of the last century when the provincial governments were actually elected to separate the province. They did not and there was no blood in the streets because the minorities who felt strongly about separation did not get their way.

I can see this happening in Quebec. If we do not have great confrontations, the forcing of issues and so on, people will come to the realization that there has been a fair chance to express their opinions and that the overwhelming

majority of Quebecers say, will have voted to stay in Canada, and the disgruntled Separatists in the minority will sort of say, "Well, we lost this one, let us go away and do something else", such as write books or plant radishes or whatever it is.

But for these conditions to prevail, and in order not to end up with a victory at the referendum, and yet with a hard core of maybe ten or fifteen per cent of Quebec's people, largely among the elite's and the articulate classes -- for that large core, say, not to feel absolutely alienated from the society in which they have an important role to play, it is important that they too feel that the test is fair and that the democratic spirit prevails amongst them as it prevails amongst us.

RH: Mr. Prime Minister, do you think it might help, before they hold the referendum in Quebec, if you were to call a national plebiscite which would ask all Canadians whether they think it would be wise to give economic association to Quebec in the event of the Quebec people voting for political independence?

THE PRIME MINISTER: Well, asked in that precise way, my answer is no. I can see circumstances where you might want to have a national plebiscite, but I would not be able to ask that question for the simple reason that I would not know what economic association means. For the same reason that I object to any provincial referendum which is based on some vague notion of economic association, I would think it is no more fair for us to use the term than to ask Canadians in other provinces to reject it. I think we have had most Premiers, if not all, of English-speaking Canada saying that they would not contemplate economic association. I think they can say that just as fairly as Mr. Levesque or Claude Morin saying that they want economic association. But when it comes to negotiate such a thing, I think we have to hear from those proposing it what they have in mind. Is it a common market? Is it a free trade zone?

Is it a monetary union? Is it a confederation of independent states? Or is it a form of federalism which, since Hodge vs The Queen, the Privy Council has decided that that is what Canada is all about? It is a federation of provinces which are sovereign in some areas, with a national government which is sovereign in some other areas.

RH: Would you expect them to spell out these details before the referendum or after the referendum?

THE PRIME MINISTER: I would expect them to do what is more likely to suit their electoral purposes. Therefore, I don't know what they will do. Quite frankly, I would be afraid that they would tend to confuse the issue somewhat. This has been the long-standing reproach that I have made to many of Quebec's intellectual elites, that they cannot ever quite make up their minds on what they want. For a time we thought the Separatists wanted separation, that the Independantistes wanted independence and that the Souveraineté wanted complete political sovereignty. But when the people of Quebec were faced with that in the 1970 and 1973 elections, they said no.

Now the Independantistes are saying: "We want to be independent, but not quite; we want to have our freedom, but not absolutely". That to me is a sham in the intellectual sense. More seriously, it is a grave sign of immaturity, of people who like to have their cake and eat it too. Naturally, that is the ideal but it is not possible. May I just add a word to that so as not to leave it hanging up in the air too much. It does not mean that I think that those who talk of 'souveraineté-association' are not prepared to put a free choice, but I am afraid that thus far they have not. If they say: "We don't want really political independence;



really what we want to have is a new form of federalism in which we will have much more power", then they should say so. I am sure there are a lot of people in the P.Q. movement who think that, but they know that if they say that they will split their own party, because there are a lot of people in the P.Q. who think that indeed independence is the important thing. And if after that, having achieved it, we can find some form of common market, as Europe will be finding one over a period of thirty years, then fine. I am not saying that people cannot be sincere on one side or the other. I am just saying that when they join together in one movement, people who are on both sides are playing with words.

DB: I wonder whether you could say, after having been associated with Mr. Levesque in one way or another for some twenty years, I guess, what you think of him as a man, as a politician, and as an opponent?

THE PRIME MINISTER: Well, as a man I think you can say that the man has courage and persistence, because after having been part of a government he fought long and hard to bring his ideas to the fore. He sat through some pretty tough political times when he was repeatedly defeated not only as a party by the electorate but even personally. So you have to admire a man who democratically pursues his ideas with such conviction and perseverance.

I think that also makes him a good politician, but on this there have been some better testimonies. I do not recall ever seeing him on the platform, but obviously he is very effective. He has been able to hold his party together through his own prestige, in spite of

that party being, I am convinced, basically divided between Left and Right and between those who really want independence and those who just want a different deal for Quebec. That spells out a pretty able politician. That deals with the man and the politician. What was the third one?

DB: As an opponent.

THE PRIME MINISTER: Well, not only do I like a good fight, and that kind of man and politician will give us one, but I think it may be basically a good thing for Canada that a man of Mr. Levesque's stature is forcing Quebecers and Canadians to make up their minds. You will recall that my whole theme, going back to 1968, was that Canadians should make up their minds. If they wanted Quebec to stay in Canada, they had to do certain things. I was telling Quebecers -- you know, if they were complaining about their little role in Confederation and they wanted to have a better and bigger place, they should do certain things. Unfortunately, I suppose in most of our history, English-speaking public opinion never took the threat of Quebec nationalism or its extreme form of independence too seriously. As I used to write in those days, twenty or thirty years ago, felt that Quebec had no place to go, so let it be, it will always be with us and we don't have to worry about that particular minor complaint.

I think now that there has been the election of the P.Q. government, after I suppose about fifty years of intense provincial nationalism in the Province of Quebec, at last we are coming of age in Canada. English Canada, including the English minority in Quebec, is realizing that the time is up that that sort of feeling will probably go away. We have to do certain things if Quebec is to feel that it should remain part of Confederation. Quebec will have to accept certain things if it expects to have any influence in a strong united Canada. So in that sense, as an opponent, perhaps Mr. Levesque is doing a great service to us all.

In a sense, the sooner this kind of test can take place in the nation's history, the better. Once divisive forces have been set in play, and it is obvious they are not going to go away, I have the feeling that the

sooner you meet the question or answer the question, the better. In practical terms, if Mr. Bourassa had scraped through with a minority government and we had the Union Nationale & separatists in opposition, or even if we had just had a Separatist opposition with a weak majority <sup>strong</sup> Bourassa government, then we would have to have been cooling our heels for another four years before actually making up our minds whether we want Quebec in Canada or whether Quebec is prepared either to have its cake or to eat it, but do both. So in a sense this acceleration of history is <sup>not</sup> forcing us to make our decisions now rather than four or five years down the road, and I think that is good for us.

JD: May I go to another problem, Mr. Prime Minister, that of the economy, which is clearly not in very good shape at the moment. The sort of solutions you were talking about some six months ago, tripartism, voluntary restraint, seems to have collapsed -- the kind of solutions you were talking about six months earlier than that of greater government intervention, appears to have been abandoned for political reasons. What approach or option is left to you at this moment to deal with the economy and to solve economic problems?

THE PRIME MINISTER: Well, I suppose as with questions in the House of Commons it is always easier to debate your premise than give a real answer, but I think I should begin by doing that. You say that we have abandoned interference by the government. You can hardly say that until we have done away with controls. If you mean any greater interference than that, I do not know what you mean. If you mean that we have said at some point that the government will have to take steps to impose restraint by force of law, where restraint has not been accepted voluntarily, we did that

in October of 1975 and we are still doing it. Therefore, my answer to your question is that insofar as that is concerned we still think that controls are necessary overall.

The first part of your premise was that we had failed to get voluntary restraint. That is true in a technical sense in that after the election of 1974 we tried to reduce inflation by getting a consensus from the people to be more restrained. That was the long operation between January and June of 1975 which failed to get an agreement to exercise voluntary restraint.

I would think in fairness to the people though, including the unions, management and so on, that the law was there and that it seems to have been heeded by a substantial majority of the people. In other words, they did not all butt against or knock their heads against the law. Many people did. They said: "If these are the rules of the game, we will exercise voluntary restraint. If we know that the other guys are going to do it or they will be forced under the law to do it, I will restrain myself a bit". In that sense the educational value of the controls has not been neglectable.

I would not minimize other factors, such as high unemployment which though unfortunate, has been perhaps another incentive for people to be careful and to be a bit more restrained, and in that sense I think the controls programme has been a success and continues to be a success.

Now, you are asking me what other things we have in mind. The last budget is an example of what we had in mind, and I suppose Mr. Chretien's statements when the House reconvenes will be other examples of what we have in mind. If you want just a general expression of view; without me telling you what will be done precisely in areas of taxing, the spending power, the bank rate and so on, it would be to say that we are still very cautious about creating any inflationary spurt. We do not think that



particular devil has been exorcized yet.

We agreed among most of the nations which participated at the Summit Conference in London that some modest measure of stimulus is called for at this time. In other words, I think that effective demand can be somewhat increased to the benefit of the economy.

JD: Do you feel no urgent need though, to remove the controls?

THE PRIME MINISTER: We too will be pressed against the termination of controls in December of 1978. So there is at least that degree of urgency, that they must come off by then. There is also the added urgency that if we want to have an orderly process of decontrol we should begin at some time before the end of December, 1978, So that we are left with some instruments of decontrol, apart from the monitoring agency, before the end of December, before the end of that particular mandate.

That does not give you much help about timing. You know that Mr. Chretien has been consulting the provinces on that very point today. I know he has been talking to some labour leaders also, as have Mr. Munro and other Ministers. It is still impossible for me to say when we will decontrol, but I think it is safe to assume that it will be before the end of 1978.

BW: Prime Minister, can we go back a moment to the London Summit which you mentioned? Some views were expressed in the communique over the political and social dangers. It seems pretty clear that in this country we are not going to get out of this level of unemployment very quickly. Do you think that the heavy level of unemployment in Canada, particularly among the younger people, carries with it in this country the same sort of

social and political dangers that some of your colleagues in were afraid of?

THE PRIME MINISTER: I guess a one-word answer would be no. A more elaborate one would be not to the same degree. They were talking, I think without indiscretion I can refer to those who particularly mentioned it. It was Italy and Germany, which had seen high unemployment result in their youths joining very right-wing movements. The other mention came from Japan, which had a parallel situation. So obviously they are more concerned in the direct sense, just as Germany, I suppose, is more concerned than anybody else about inflation because it saw it so bad in the years of these people's youth. I do not know whether I can fairly say more than that. I think young Canadians, shall we say, would have a longer time to go before becoming as despaired as their counterparts in other countries.

Now, how would one explain or rationalize that? I think probably the youth in Canada feel that Canada is basically a bigger, a richer, a more bountiful country, and that their future would not appear as immediately as bleak as the future of the young people of Europe who might be tempted immediately, shall we say, to turn this time perhaps to the Communist Party. We are talking about Italy where the Communist Party is very strong, and France where the Communist Party is very strong. Using my earlier expression, the youth there has a place to go which is outside of democracy.

In Canada, nobody or at least not a significant minority of people are tempted to believe that a complete overthrow of our system would be better than improving the operations of our system as we know it. So you are in the realm almost of a philosophical appreciation of the young people today and I would say that your guess is as good as mine.

BW: If you're right, then, it seems that this is still seen as a country with opportunity for all?

THE PRIME MINISTER: Well, that I hope is a correct conclusion. In spite of the hardships which our economic difficulties have brought upon many Canadians, I think it is probably fair to say that the youth is not despairing of the country or of the system.

JD: The conventional wisdom among economics and business writers and the like today is, whatever the long-term views of our youth, that there is a general lack of confidence in the economy, and I suppose basically in the Government of Canada. Do you feel this is real? Do you feel that it is a permanent thing? Is it a passing thing or is there something you can do about it?

THE PRIME MINISTER: Well, let us go back to the London conference again. I think the answer to your question is that there is something indeed that we can do about it, but we have to do it collectively and together. No one country alone can recreate a confidence in the future of the world economy, or even more particularly the economic future of industrialized society. We know very well that an increase of one per cent in the GNP in the United States will work wonders in the Canadian economy. We will not be able to claim any credit for it. We will try, but because our trade with the United States is so heavy, something like that which is external to us -- and so on. Japan's great worry although it is performing extraordinarily well in terms of productivity, of employment and even inflation, where I think it is seven or seven-and-a-half per cent, their great worry is not in being able to manage their economy; it is whether the economies of the world will be able to continue buying their goods and whether the OPEC nations will continue selling them their oil. So insofar as you would find any lack of confidence in Japan, it would be based on where are we all

going together.

That is why in London much of our rejoinders were to each other; you know "You must try to reflate because you can afford it; you shouldn't reflate, your inflation is still too high and you should begin to tighten up your economy before reflating". You know the various conclusions which were drawn. So in that sense without in any way attempting to pass the buck -- I do not want to pass the buck -- I would like to think that Canadians and their government can do a little bit better than the others and that even if it is bad everywhere else it would not be quite so bad in Canada, as incidentally was the case I think in fact between 1970 to 1973 and 1975.

This precaution having been taken, it is also our fault as a government and as Canadians -- the businessman is not only looking at the future of Canada; he is looking at the future of the economies which which Canada is interlocked. Insofar as there is a lessening of expectation, a lessening of optimism of the investor, it has to do with many, many things.

Returning to my theme that there is something we can do about it, and the government too, I think one of the most important things which has happened to us is the fall of the Canadian dollar. I suppose you might have an economic argument, and I won't try and take too much time on economic cliches, but merely to say that if we do not learn the lesson of it that we are less productive, that we are having higher costs than our rivals, then the deflation will be an unmitigated woe with the fall of the Canadian dollar. But if we do not try and make up in dollars what we have lost in real purchasing power from the fall of the dollar, it is almost an unmitigated benefit. It takes time, but a fall in the value of our currency of about ten per cent, if we do not try to make up for it by printing more dollars, can be very beneficial indeed to our economy. It will force us to realize that we are not so rich, and that if we want to have higher purchasing power



the remedy is not to print money but to work harder, to be more modest in our demands, in our profits and in our wages.

RH: Talking about this, do you think that the obvious weakening of the economy in Quebec helps or hinders the cause of the P.Q.?

THE PRIME MINISTER: I don't know. You can argue both theses and, indeed, both have been argued. Therefore, rather than attempt to ask myself whether it weakened or strengthened their cause, I would just say that our position is that we should strengthen the economy as far as we can of every part of Canada. We feel that that will have beneficial effects not only on the idea of Separatism but at least it will bring greater economic satisfaction to more people.

RH: I asked the question largely because several recent opinion polls and some politicians and commentators are saying that most Canadians, including most people in Quebec, were more concerned about unemployment and inflation than they are about the national unity question. Do you accept that general proposition?

THE PRIME MINISTER: Well, if I didn't, it would be at my peril, because I could easily see quotes that "Trudeau thinks language is more important than jobs" and so on. But if you want a thoughtful answer to that, apart from saying the obvious, that both questions are obviously inter-related and that if Canadians do not get satisfaction out of their economy they are liable to be less happy with their country than if they do, and that conversely if they think that materially they are doing well in this country, they are less likely to want to break it up, but beyond that I would wonder if the polls are as significant as you indicate.

If people were really asked "Which would you prefer? If you had to choose your priority, to reduce unemployment to

three per cent or to prevent Canada from dividing?", then you might get a different kind of answer. When they answer the poll the way you put it, I think they are saying "Well, the country is not going to break up". Or maybe some of them think the Liberals are in charge, that we are safe because they can do things on national unity but gee we are not sure they can do great things about the economy. They may be worried about the things we cannot do anything about or do much about. They do not worry about things which they think are reasonably secure.

If separation were imminent, I would venture the guess that they would say "Stop worrying about bringing unemployment down from five per cent to four per cent; spend more money in Quebec or spend more money on minorities in other provinces".

BW: About six months ago I asked you a question as to whether you agreed that the country then was in a politically volatile state and I think your answer was that you were not certain. What would your answer be today?

THE PRIME MINISTER: I do not remember my answer but let me try to answer it today and see if you can pick me apart for being contradictory. If you ask me that today, if it is in a particularly volatile state, I would say not.

I would say it is in a self-doubting state, but not an hysterical one. What we were saying about youth I suppose would tend to support that. There is no hysteria. There is no recourse to extremism. Even Separatism has not managed to make any gains until they presented a very, very watered-down form of it in the form of association. I do not see great hostilities developing in parts of the country that visit.

I do find a certain despondency, a certain lack of confidence, a certain lack of optimism, which could, I suppose, become volatile if it lasted a great time and if it were properly exploited by extremists. Here again, put yourself in the context of my answer concerning the Summit. There are some countries where this kind of despondency might become volatile very quickly. For a while and maybe still French were still wondering whether the left would not sweep into power a few months down the road. The Italians are still wondering if the Communists will not sweep into power. Maybe the Germans are saying that if France and Italy go Communist, what will happen to the Iberian Peninsula, what happens to us, and so on. So conditions for volatilization of opinion are probably riper in other countries than ours. I do not think it is volatile. I do not think it is close to being volatile. If I get the surprise of my life and see our polls suddenly if we are shellacked at the election, I do not say it is because it is volatile, I would say it is because of a slow eroding of the government's credibility or a slow building-up of confidence that the other party can it be worse, and so on.

JD: One concern which has been expressed, sir, occasionally within your own Caucus is about the stature of

your Cabinet, the competence and the stature of the people in it. I would not ask you <sup>to</sup> make any invidious comments about any of your own colleagues, but some Prime Ministers in the past have used the opportunity of general elections and by-elections to reach outside the immediate party and bring in men of stature and substance to strengthen the government, especially in difficult times. Would you anticipate doing anything of that sort at the next general election or before?

THE PRIME MINISTER: May I deal with your premise again ... This is a criticism that I know Bill Wilson has often made, and I am sure others. I am just not convinced. I do not have the long political experience of some of you. I dare say Bill has watched more Cabinets than I have.

PM: I think we all have our weaknesses. I have found some of my previous Cabinet colleagues, for instance, not to be as good campaigners as, shall we say, -- I will not give any examples. But in terms of hard-working, solid, good judgment group of men and women, I regard it as a good Cabinet. I do not think I can compare it to many of the others, but I have learned one thing: After every Cabinet shuffle the pundits always say: "Oh my god, he moved the right guy or the wrong guy out and the wrong guy in". But until that point the wrong guy who moved out had become the wrong guy in.

It is almost pedantic to remind you, that the Minister who leaves the Cabinet is a great hero from that day on. But until then the same people who find it is such a great loss, you know, are just lamenting that we had such a weak group of people in the Cabinet. Or if the older people move out, "we have lost all our experience." If they do not



move out," they are just a lot of old hacks who have been around forever. But obviously I am using your question to let off a bit of mild steam so I will not go on with that.

JD: Even rejecting the premise, then, do you see any value in reaching outside and broadening the basis of your government?

THE PRIME MINISTER: Sure I do.

JD: Is it something that you might actively do?

THE PRIME MINISTER: Well, I reached out and got Horner, strengthening my party, from Alberta. It is almost not a secret that I have tried to get other prominent people from other parties to join my government. Come an election? Yes. I am trying to get some new people in from other parts of Canada, various parts of Canada, to join our ranks, either as young or more experienced people. We got Major Gilles Lamontagne from Quebec City to run in a by-election, and that is reaching out to a man of proven value. No doubt I have not been as successful, maybe, as other Prime Ministers. I do not know how it would tally up, but I find there is a lot of good material in our Caucus. I do not feel we lack good material.

Maybe I should throw the question back at you. People who say that our Cabinets are weaker now, maybe they are doing it in comparison to our back-benchers. Who are probably stronger now than they have ever been, and when you put the Cabinet compared to back-benchers you are saying that the Cabinet is not all that much better. Whereas in previous times I think you had a group of men and women in Cabinet who may not have been better than those today, but the back-benchers were generally much weaker and so the Cabinet looked better by comparison. That would be my theory. You have to look at my history too. I do not have very deep, long-lasting roots in the past within the Liberal party. I am working with the material it has rather than trying to change it drastically.

DB: Sir, if I may ask a question. Your job bears a very heavy responsibility certainly, and you must feel it at times. I wonder if since last November, since we have begun to see that the future of Canada may truly be at stake, have you felt any heavier personal responsibilities? If so, what do you do to help you cope with them?

THE PRIME MINISTER: I use the swimming pool which has been given to me by a group of anonymous donors. I use it a great deal. I play with my kids, teach them to swim, & generally relax, and that type of thing. Perhaps for the reason I was telling Bill Wilson about not sensing the volatileness of opinion, perhaps I do not sense a crisis. This is what I was saying earlier perhaps the election of Mr. Lévesque is an opportunity rather than a crisis. I do not sense any despair which is weighing on my shoulders. I do not feel that Canada is poised on the brink of an abyss, or that every night when I go to sleep I will be sleepless lest I wake up in the morning and find that the country has gone over the edge. I have no feelings like that at all. So maybe I cannot answer your question very much for the simple reason that I do not feel it calls for any particular measure of courage or fortitude or perseverance. I think we have another big problem.

If there is anything that puzzles me in this game it is that the longer that you are in the job of Prime Minister, the harder you have to work to do your job. With anything else, such as stenography, administering a store, or whatever you have done it for nine or ten years you get to know the ropes pretty well and it becomes easy and you can spend a lot of time playing golf or something. I feel that the more you know, the more you have to know, and the more problems come at you. It is certainly not because I do not delegate.

JD: Would you feel, then, that perhaps the division of Canada would not be such a tragedy so long as people on either side of the divide knew what they were

doing when they divided it and agreed that it ought to be?

THE PRIME MINISTER: I think it would be a terrible tragedy. I do not feel it is going to happen. And that is why I feel we are not in such a state of grave crisis which causes sleepless nights. I think it would be a terrible tragedy for Canada, for the world, for the United States, but more particularly for the French Canadians.

My ideas on nationalism and on Separatism have always been couched long before I ever thought of federal politics as an agent in Quebec, an actor in Quebec. I thought it would be terrible if Quebec in some form or other isolated itself. Much as I always believed in provincial autonomy under the Constitution, as soon as that began to be excessive, as with the quiet revolution, then there was no question of separation. But there was a question of the weakening of federal power and sort of increasing provincial power, or in days of special status when it meant increasing provincial powers at the expense of the federal government. This is terrible from the point of view of French Canadians. Because if we are withdrawn from the obligation to compete with the English-speaking majority in Canada by withdrawing from Canada, how, then, are we going to compete with the North American majority which is ten times more numerous? So I think it would be a very great human tragedy if Quebecer withdrew from Confederation.

BW; Mr. Prime Minister, you obviously feel very much more confident about the French fact than Quebecers. To carry it one step further, do you feel that rather than contracting it is actually expanding at the present time,

that it is expanding its role, scope and vitality.. Is that a correct assessment of the French fact?

THE PRIME MINISTER: I think so. Let us start with politics and look back around the 1972 election when the great fear was French power. Since the Second World

War, at any rate, French Canada has been playing a much greater role in Canada in terms not only of its politicians but in terms of people playing important roles in democracy, in Crown Corporations, in leading corporations, private corporations and so on. So I think it is. In Quebec it seems to be obvious. In the City of Quebec, in the Eastern Townships, the Gaspé, across the river from here,

everywhere there have been strongly English-speaking minorities, sometimes even majorities, Now they have all been Gallicized or Francisized. I guess the exception to that, which I conceded in my Press Conference, is the minorities in other provinces, French-speaking minorities. I do not think it is expanding in that sense. Certainly there are more Franco-Torontonians than there were before. But in places like Toronto or Windsor or St. Boniface or whatever, I think the brief we received, *Les Héritiers de Lord Durham*, make a pretty impressive case.

B.W. But if you take the big French community in Eastern Ontario, surely that is one of the exceptions. It seems to be full of vitality and most importantly it is still French.

THE PRIME MINISTER: Just expanding your argument a bit, this is my greatest answer to those who -- and they include a fair amount of foreigners -- to those who were bemused by Levesque's speech in New York City, I think it was, when he said: "You know, we have our language, we have our territory, we have our culture, we have our institutions of government. We can be independent". Yes, but I mean, bully for Confederation which permitted you to have your language, your territory, your culture, your institutions. What are you beefing about? If you were like the Basques or the Bretons who are saying: "Well, our language has gone, we don't have any jurisdiction, there's no decentralization, we cannot control our institutions, our territory is being encroached upon", and so on, then I would say the argument may not be a very realistic one, whether it comes from the Catalonians or the Bretons or whoever, but I can appreciate the



But his whole premise is that Canada has permitted the French in Canada to have a province with incredibly strong powers, to control a territory of incredible wealth, to have institutions, even Bill 101. As I was saying earlier in my press conference, it is probably not ultra vires in its most essential points. What has permitted this? It did not have to be independent.

I used to teach my students in Constitutional Law, so many of whom were Separatists, why do you have to be independent? "Oh, you know our language is disappearing". "Well, make some laws". But do not make Bill 101. "Well, we can't under the Constitution". "Of course you can; the Constitution does not prevent you from obliging people to have labour contracts in French", and so on and so forth.

So expanding a bit on your argument, there is a feeling that this country has permitted that, just as we hope that in the North, with our policy on Natives, the Inuit, the Indians, with our multi-cultural policy, there will be people everywhere who feel that in this Canadian framework they can preserve their culture, their way of life, their language in many cases.

RH: Sir, does that mean that you might have your thinking in the last year about whether there is such a thing as a nation of Quebec? Has your thinking changed during the last year on that point? Maybe there is such a thing.

THE PRIME MINISTER: Well, in the 1968 election I went across Canada saying there is one Canadian nation in the political sense. But if you want to talk about nations in the sociological sense, sure there is one in Quebec. There is one in the Arctic. There is one along the Mackenzie River. There are many nations. So it depends how you want to use the word. If you are saying that there is a nation in a political sense, then no, there is only one nation in Canada. When Quebec talks about independence, it is talking about having a Quebec nation, but within which there will be a political nation

because there are still various nationalities within Quebec. So I think the thing is that you have got to take a word and make it mean the same thing throughout; otherwise you are playing with words.

Just one thing perhaps before I leave you, and that is a formula that I concocted many, many years ago in some articles I used to write on the subject of nationalism. It is not the idea -- I am quoting exactly -- it is not the idea of nation which is retrograde; it is the idea that every nation, talking in a sociological sense, must be politically independent. Because that idea is self-destructive.

So if you want to talk about the Quebec nation, I am happy. Composed of Franco-speaking Quebecers, sure. But then we will talk about other nations in other parts of Canada. If you want to talk about a Quebec nation becoming independent, then you have lost its purity. There is not only French but Eskimo, Indians, Italians. It is a beautiful dilemma which I threw to Mr. Levesque in my letter: "You say that you cannot trust the Supreme Court. Okay. In your independent Quebec, how will your Supreme Court be composed? An equal number of Eskimos, Anglos and French? Or will it naturally be a majority of French? If so, are you saying such a Court cannot do justice to Anglos? And if it can, why can't our Supreme Court be just? You know, this is the folly of nationalism which turns into statism. There is always a smaller nation within your bosom which can use the same arguments against you that you used against the bigger guy.

RH: Thank you very much, Prime Minister.

TRANSCRIPT OF THE PRIME MINISTER'S PRESS CONFERENCE  
IN OTTAWA, OCTOBER 21, 1977 (2:30 p.m.)

TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A OTTAWA, LE 21 OCTOBRE 1977 (14h30)

Q: Six months ago you expressed some doubts about the usefulness of a meeting between yourself and Mr. Levesque. Now it appears that one is imminent, and I am just wondering what you think has changed, if anything, and what you and Mr. Levesque might be able to agree about.

A: I want to meet all of the Premiers to discuss with them the economic situation in Canada and the problem of national unity. I did not know six months ago whether Mr. Levesque would want to receive me or not. He has now told me that he would; that he is interested in discussing these subjects, so I will naturally see him, as every other Premier, our position having been, since the beginning at the P.Q. election, that in matters of federal-provincial co-operation, we would treat Quebec like any other province.

Q: Monsieur le Premier ministre, étant donné la fermeture d'Inco ou la fermeture temporaire du moins, c'est ce qu'on peut croire, la fermeture de nombreuses usines au Québec, du textile, et dans les Maritimes, vous avez déclaré il y a un peu plus de deux (2) ans, il y a à peu près deux (2) ans, et je vais vous citer, peut-être pas dans le texte: "The market system is not working as it should." Quelque chose qui ressemblait à ça. Est-ce que entre la nationalisation de ces entreprises-là et entre le système de subvention et les moyens conventionnels que l'on connaît pour un gouvernement pour relever cette industrie-là, qu'est-ce qu'actuellement, par exemple, le gouvernement peut faire d'ici la fin février, par exemple, pour relever le niveau de l'emploi? Est-ce qu'il y a un moyen par lequel vous pouvez intervenir rapidement en quelques semaines pour relever le niveau de l'emploi?

R: Eh bien, s'il faut parler de cas particuliers, le cas Inco par exemple, je vous dis qu'on est en discussion avec la compagnie et le syndicat pour permettre au maximum au plus grand nombre d'ouvriers possible de travailler peut-être pas la semaine pleine, mais afin de partager entre eux l'emploi. Alors chaque cas particulier va appeler une action particulière. Mais pour donner une réponse sur le ton de la question, ce sont mes idées sur le système du marché. En gros c'est pas difficile; en gros nous avons dit qu'il fallait que le Canada rencontre la concurrence mondiale. Ça veut dire que le système du marché, qu'on l'aime ou non, marche. L'offre et la demande, les prix du nickel, les prix du zinc, les prix du cuivre sont établis par la demande sur les marchés du monde.

Dans ce sens-là, nous avons toujours dit qu'il fallait que le Canada soit concurrentiel, autrement dit, que nos coûts de production, ce qui veut dire nos salaires, nos dividendes et tout le reste devraient nous mettre sur un plan concurrentiel.

Il arrive que dans le monde les gens ne jouent pas franc jeu, c'est-à-dire qu'on limite le marché, on limite l'accès du Canada à certains marchés. Ça a été le cas pour le marché de l'uranium avant 72 et c'est le cas maintenant pour disons le nickel, puisqu'une compagnie américaine a décidé de s'emparer d'une partie du marché en coupant ses prix au-dessous de ses coûts.

Qu'est-ce qu'on peut faire en réponse à cela? Eh bien, on a donné un exemple, entre autres lorsqu'on a créé le cartel de l'uranium, lorsqu'on a dit: "eh bien, si les Etats-Unis nous ferment l'accès à leur marché, on va se réunir avec les autres producteurs et les consommateurs autant que possible pour essayer de réglementer le marché. C'est ce qu'on a fait dans le cas de l'uranium, depuis ce temps-là on n'entend que des critiques du parti de l'opposition.

C'est ce qu'on peut très bien faire dans le cas du nickel. On peut s'arranger entre producteurs pour ne pas faire une concurrence déloyale.

Q: Est-ce que justement pour éviter le dumping Amex, qui est une société américaine, vous dites "c'est ce qu'on pourrait bien faire"? Est-ce que votre gouvernement envisage actuellement, puisque c'est un nombre d'emplois qui est majeur, quatre mille (4,000), envisage actuellement de discuter au moins avec l'ensemble des entreprises productrices de nickel la formation d'un cartel, disons, d'un groupe de compagnies?

R: Le Canada a souvent été approché pour former des cartels, par exemple, justement dans le domaine de l'uranium, dans le domaine du minéral de fer. On a toujours pris pour position que nous ne croyons pas au cartel des seuls producteurs, que nous croyons, pour obtenir non seulement des prix justes mais également des arrangements stables, qu'il fallait que les pays producteurs et consommateurs finissent par en arriver à une sorte de compromis.

C'est ce qu'on fait par exemple avec le blé, c'est ce qu'on fait avec le sucre, c'est ce qu'on fait avec un tas de denrées internationales. Il n'est pas exclus que dans le domaine du nickel nous cherchions le même résultat comme nous l'avons cherché dans le cas de l'uranium.

Mais là vous me parlez d'une action immédiate, et l'action immédiate c'est de trouver du travail aux chômeurs, à ceux qui seront sans emploi dans seize (16) semaines et c'est à cela que le gouvernement s'emploie d'abord.

Q: On the referendum proposal, Mr. Prime Minister, if political uncertainty is damaging the economy, and if the economy is in as bad shape as the Finance Minister says it is, won't this dictate an early federal referendum to settle the political uncertainty -- perhaps even before the next federal election, or perhaps during the next federal election?

A: Well, that is one way, I suppose, that could be used to hopefully settle the uncertainty, but there are



other ways, including the federal election itself, including the provincial holding of a referendum, and perhaps even including a provincial election.

On the tool that we want to give ourselves by way of a referendum, I have said in the house quite clearly that it is a tool of general usage in the area of unity and the Constitution. I do not know if it will ever have to be employed. I do not know if it will be necessary. I do know that we want to have that tool in case, for instance, that there is no other way of getting some expression of national unity, or in case, for instance, some provincial referendum would be held in very outlandish and undemocratic conditions. It might be useful then to have a federal referendum to test the will of the people in a much more democratic way, in a way that does not, as the Quebec referendum has proposed, limited the freedom of association. We will present the bill. It will be in general terms, limited, as I say, to questions of absolutely national concern in the area of the Constitution, in the area of national unity.

I would like the federal government, any federal government, to have this bill. If I may say so, it is not something we started. We have always opposed the idea of referenda, saying that parliamentary government was the way to do it, and federal-provincial conferences was the way to do it; but if there is no other way to unlock uncertainty, or to resolve uncertainties which have been created, say, by the provincial referendum, we could consider using the national referendum.

It is not a matter of imposing the will of the rest of the country on Quebec. It may be a matter of just testing Quebec's will, and there is no one who objects to the federal government having a referendum in Quebec, or in any other part of Canada on such a question.

Q: Mr. Prime Minister, I think you said in French that you were going to explore in the immediate future the prospect of letting more people at INCO work a shorter week to spread the misery around a bit, as it were, and in the long term you would explore the idea of forming a uranium cartel to stabilize the market and prevent this rival firm from undercutting.

I am wondering why it would not be possible for the government to negotiate with INCO to stockpile uranium and thus keep the work going until such time as a cartel is formed.

A: Perhaps I could object to your expression of "spreading the misery." This formula of using Unemployment Insurance to permit workers to work, say, two-thirds of the time and to draw Unemployment Insurance for the other one-third in order to permit more workers to work and draw Unemployment Insurance is not spreading the misery, particularly when you consider that the INCO workers have not been receiving exactly miserable salaries. So, this is one possibility.

You are coming forth with another one. The trouble is that there are stockpiles of nickel now, I believe at INCO -- certainly in Canada -- of about seven months' possible duration. Increasing the number of stockpiles would not be of any benefit if the end results were only to drop the price of nickel on the world market. Obviously, buyers, if they know there are great stockpiles all over the world, are not going to pay as high a price for nickel as they would if there were no stockpiles.

This solution is good for a time and, as I say, INCO has some seven months' reserve in stockpile, but it is obvious that you cannot go on doing this forever without depressing the prices out of sight.

We did this, once again, in uranium. Before forming the cartel in 1972, the government intervened twice, if my memory is correct, once around '68 and once around '70 to stockpile uranium, because we knew someday there would be a demand for it. Read Mr. Roman's letter, the Chairman or President of Denison Mines just saying that the Tories are absolutely out of their minds when they say that this was not a good decision by the federal government.

Q: If I may ask a supplementary ---

A: Irresponsible, I think, is the word he uses.

Q: If I may ask a supplementary, I take it you are hopeful that these layoffs at INCO would be of a short duration before the market sorts itself out. May I ask you also if Mr. Broadbent has a point when he says that, in effect, we have been exporting jobs through the Export Development Corporation or through deferred taxation? Is this an area that the government perhaps should re-examine -- what the multi-nationals receiving money or benefits from Canada do with that money, if they finance competing enterprises in other countries?

A: Mr. Chretien gave that answer this morning. All developed countries in society are involved in looking abroad to see where there might be other sources of raw materials or other areas for producing with lower wages, and so on. If Canada does not do it, someone else will do it. If there is a good mine somewhere, they will not necessarily wait until some Canadian company comes. If some company wants its mines developed, they will give it to the best bidder, to those who are prepared to take risks and build, and so on. There is absolutely no future in Mr. Broadbent's view, if that is his view, of thinking that Canadians can close up their society and think the rest of the world is going to wait for our good pleasure to develop their resources. It is obvious. Take the area of manufacturing. They did not wait for Canadian textile industries to go and develop the textile industry in Japan or in Hong Kong, or in Korea, or in Singapore, to compete with our textile industry. Other countries went and invested there, and those countries themselves invested

there. We have to meet the conditions of the world market, and as I said in my speech in the house yesterday or the day before, that means having prices which are competitive. That is absolutely basic. In my speech -- and those of you who listened that far will recall -- I talked about minerals and I talked about manufacturing products, and I said that when the price of minerals fell in the world markets we would have to stop or diminish our production, and that is what is happening.

Q: Premier Bill Bennett of British Columbia has apparently termed the idea of a national referendum a waste of time. Have you had that response from other Premiers, and if a significant number of Premiers do hold that view, will you still consider a national referendum?

A: Well, I have not seen what Premier Bennett has said nor what any other Premier might have said. I would be very surprised if he said that in so many words. I do not think he is an insensitive man. I quite frankly doubt that he said that, unless you are taking it out of context.

Q: Monsieur le Premier ministre, le discours du Trône annonce l'intention du gouvernement de présenter des propositions constitutionnelles, et dans ce paquet de propositions constitutionnelles on parle de certains éléments d'une formule fédérative qui sont nécessaires à son bon fonctionnement. Est-ce qu'on peut savoir à quoi vous pensez à ce moment-là, "ces éléments nécessaires"?

R: Eh bien non, je préfère en parler d'abord aux provinces dont je verrai les premiers ministres dans les semaines qui viennent et ensuite à la Chambre des communes. Mais quand j'ai dit il y a plusieurs mois que nous étions prêts à examiner toutes les hypothèses d'une nouvelle Constitution, ça reste valide. Nous avons certaines propositions à présenter aux gouvernements provinciaux et au public canadien ainsi qu'au Parlement canadien.

Mais si d'autres en ont de meilleures, j'espère en entendre parler lorsque je ferai ma tournée des provinces. Mais jusqu'à ce que j'aie fait ma tournée, je crois que c'est tout à fait prématuré de dire "eh bien, nous voulons faire telle chose, nous nous proposons de faire telle chose". Si j'entends chez la majorité des Premiers Ministres que c'est pas pensable ou bien que ça les intéresse pas, eh bien, je changerai mon fusil d'épaule.

Votre question est légitime mais prématurée.

Q: Je reviens sur une question à laquelle vous avez répondu en anglais en parlant du référendum. Ce référendum, celui auquel vous pensez, pouvait s'appliquer ou être soumis seulement au Québec?

R: Je ne pense pas à un référendum. Je pense à une loi cadre qui nous permettrait de faire un référendum dans un certain nombre de zones limitées, comme par exemple l'unité nationale, comme par exemple la Constitution. Au-delà de ça je ne peux pas dire.

Q: Monsieur le Premier ministre, votre gouvernement a mentionné à plusieurs reprises, disant d'accentuer les consultations avec les provinces, est-ce que déjà on a une idée assez précise de la forme et également du contenu éventuel de ces rencontres?

R: Eh bien, je vous ai donné les deux (2) sujets dont je comptais traiter avec les premiers ministres des provinces dont cette série de rencontres qui commencera au début novembre et se terminera, je l'espère, avant la mi-décembre, nous parlerons des problèmes de l'unité nationale, de la Constitution, des problèmes comme le référendum, des problèmes comme le changement de la Constitution d'une façon désirée par tous les gouvernements canadiens et du problème économique parce que, comme une fois je l'ai expliqué, je suis convaincu que pour que l'économie reprenne il faut aussi y mettre une volonté nationale. Il faut une collaboration fédérale-provinciale.

Et je crois comprendre qu'aujourd'hui même le gouvernement de la province de Québec annonce quelques centaines de millions de dollars à être dépensées en partie en collaboration avec le gouvernement fédéral pour créer des emplois, et c'est de cette sorte de problèmes que je vais discuter avec eux.

Q: Mr. Prime Minister, if I could ask a follow-up on the referendum before a question on the economic side, what specific question or questions would you like to ask the Canadian people on a referendum?

A: I do not have any specific questions. I just want to have the right to formulate specific questions under a law which would be passed by parliament. In my earlier answer, I indicated that the questions could have to do with as simple a thing as patriation of the Constitution or repatriation of the Constitution; it could have to do with the will of the country to remain united, and it could have to do with anything inbetween. It might be a question only to Quebecers saying, "Well, you just had a referendum in Quebec and you didn't have freedom of association in order to express your will. We will give you a referendum with democratic rules and we will hear what you have to say on it."

So, the question would be extremely varied, according to the particular phase of the combat we were in at that time. It is a tool, as I said; it is an instrument of popular consultation that we want to have. I do not think it would have crossed our mind if Premier Levesque was not giving himself that kind of a tool. If he wants to know what the people of Quebec think in his own contrived questions, we want to have the right to ask the same thing, for example.

Q: From what you have just said, a referendum might be held only in Quebec.

A: It might.

Q: But the results would be binding on the government



without having canvassed opinion in the rest of the country.

A: Well, I would be prepared to examine that hypothesis. I am not like Mr. Levesque who says that he will only be bound by a referendum that goes his way, or he will only listen to a referendum that goes his way. I might be prepared to take the chances and feel that we are all bound by a fair consultation.

Another way of doing it could be to get Mr. Levesque, in his referendum, to have a fair consultation. Perhaps the fact that we would have this tool of a referendum might incite him to ask the questions, or perhaps formulate the questions in consultation with us. We cannot presume that they are going to be unreasonable about it. Maybe they would want to have a fair sounding of opinion, fair rules.

Q: If I may, not to monopolize it, on the economic side, when you say Canadians are soft and need discipline, are you asking that they do more than restrain their wage demands? Are you asking them, for instance, on the production side, that they work harder and, explicitly how, and on the consumption side, are you asking Canadians to buy less imports, to consume less? Explicitly, what do you want from them?

A: Well, I can make my speech again that I made a couple of days ago in the House of Commons. I hear the groans. In essence, it means that we have to be cost-competitive with others. This can mean working harder; it can mean being more productive; it can mean having more confidence in the future and being less frightened. In the case of investors, not poor-mouthing Canada's future; not, as I know some Canadian investors are saying, telling their American or Japanese friends, "Gee, I wouldn't invest in Canada, you know."

It would mean being a bit tough about it, and there are all kinds of ways in which you can do it in order to be more productive, to develop better technology. But it takes a will, and that means that we cannot just sort of groan because things are tough. We have to meet the challenge. Look at the way other countries did it. Japan was hit a few years ago by a four-fold increase in its cost of energy. Japan has no energy of its own and no raw materials of its own. It is very exposed in the world. They didn't just groan away and be pessimistic about their future when the OPEC price increases hit them and inflation went up to something like twenty-five per cent a year. They just were a bit tough about it, and they expressed in their national will the realization that they had to meet world competition, and this meant the whole society moved into a more optimistic and more determined view of the future. So, they brought inflation down and now they are beating everybody else again in terms of productivity and in terms of exports and technology, and so on. What happened? Are they more intelligent than

us or are they just more tough and more determined? I suggest it is the latter.

Q: Mr. Prime Minister, given your opposition on the principle of referendums, are you not afraid that the possibility of a federal referendum on national unity would legitimize the Quebec referendum on the same subject?

A: I do not think any action has to be taken to legitimize the Quebec referendum. They can under the law of the Constitution hold referenda and sound out people's opinion on what they want. They just have to pass a law in the legislative assembly. So, there is no question of us legitimizing anything.

I think it works a bit the other way around. If they are going to get into the game of testing political opinion by law, I think we should have that tool. As I said, we may not even have to use it. Perhaps the existence of the tool will be sufficient to make sure it is used fairly, if at all, by others.

Q: Before you said you would not be bound by a Quebec referendum. Now that you are proposing the same idea, don't you feel that that changes that situation?

A: Well, I said I would not be bound by it for two reasons, the first being that Mr. Levesque said that he would not be bound by it; that it is a referendum that would not bind the government, and I do not see why I would be foolish enough to say that he could hold a referendum and not be bound by it, even holding it under his rules, playing it the way he wants, and then I would be bound by it. So, it is not very complicated to understand why I say we should not be bound by it.

Q: You are saying you would be bound by your referendum and not by Quebec's?

A: It would depend. If we have a referendum which, under the Constitution, could have the force of law, which we can do under the Constitution and which the provinces cannot, incidentally -- we could, for instance, pass a law saying that the opinion expressed by the referendum would have the force of law; we can do that under the Constitution, but the provinces cannot, because they cannot make laws that are not signed by the Lieutenant-Governor of the province. They cannot take that power away from them.

Q: Mr. Prime Minister, a possible supplementary: in the wake of your suggestion on Wednesday that Canadians must exercise some self-control, your Finance Minister said last night that the government is going to exercise self-control -- that is, fiscal restraint. What specific form is this fiscal restraint going to take?

A: Well, we shall keep adjusting our budget to the rate of growth of GNP. You will recall a few years ago when we were spending billions of dollars in transferring money to the five eastern provinces of Canada in order to

equalize the price of petroleum in Canada, we had very high budgetary growth -- something in the order of twenty-two per cent. We brought that down to fourteen per cent, and down to twelve, and we are going to continue to try to bring it down.

Q: Are there any specific government programmes you intend to cut down on, such as the hiring of extra public servants; such as the building of large complexes of public buildings, or programmes such as that?

A: Well, the money that has been spent already, we cannot cut down on. It has been spent. It is only the money which is planned to be spent which we can reduce, and in this area I can say we are saving the country hundreds of millions of dollars by not going ahead with projects that perhaps in other times we would have gone ahead with. So, in order to bring a budget which is growing at a rate of twenty per cent down to a budget growing at the rate of ten per cent, obviously you cannot continue to spend at the same rate as you have in the past, and we will do that with many departments in many areas.

Q: Two questions, Mr. Prime Minister. The first one deals with patriation. Is it your intention, when you visit the provincial premiers, to present them with a number of proposals which you would suggest to them as possible changes which may be made in the Constitution, and along with that would you put the referendum that you are now proposing, or the option of having a referendum -- do you see that as a way of getting around the question of unanimity amongst the provinces and the federal government in terms of patriation?

A: I want to discuss both subjects with them. It is a short answer. Your question was long, and it is correct. That is the kind of thing I want to discuss with them.

Q: So, if Rene Levesque says no to some of your ideas on amending the Constitution but a majority of the provinces do, you might want to have a referendum to show that there is a unity of feeling within the country to bring about those changes. Is that correct?

A: I had not thought of that, but that sounds like an interesting idea.

Q: The second question deals with the guidelines on prices and wages that have been set by the Finance Minister for the forthcoming year, the final year of the control programme. There is a very real possibility, certainly in the minds of the Labour movement, that the roughly six per cent guideline which you have set would be two or three percentage points, depending on the market of course, below, or well below any rise in the cost of living. Are you prepared to take that gamble?

A: I think it is a very good question, and Mr. Chretien's budget was conceived precisely with that in

mind. On the one hand we had to bring costs down, and that is what the new guideline is attempting to do. On the other hand, we realized that bringing the cost down below the rate of increase, or possible rate of increase, in the cost of living might create some hardships on people. What Mr. Chretien has done is to lower the income tax of those earning below \$15,000 a year, and the calculation roughly comes out that what will not be gained by workers by virtue of the fact that the guidelines will be lower -- the more or less rough amount that they could have had from a higher guideline -- will be given to the lower and middle income workers by way of an income tax cut. In other words, we are doing through the budget what we had hoped to do by consensus -- getting the union leaders and the business leaders on side. We had said, "Let's work together to keep costs down in Canada." As I have been saying all the while, one of the reasons why we are not doing too well in the world markets is because our costs are too high. The most obvious way of getting costs down is by keeping wages at a non-inflationary rate, and that is what the guidelines are about. On the other hand, the workers had some expectation that they would go perhaps as fast as CPI in the past year, something around seven or seven-and-one-quarter, and we are saying, "You know, you will not be able to do it through your wages, but here is a tax credit to you. Here is \$100 that you would not get under the present taxation system. We will change the taxation system and give you \$100."

In other words, we are keeping the costs down. But we are making sure, through the general revenues and taxation system, that the people at the lower end of the income scale are getting as much money as if the guidelines had been higher.

Is that clear? That is fundamental to Mr. Chretien's argument.

Q: So, you are forgetting about the voluntary restraint, because you are forcing it. You do not need voluntary restraint in the decontrol period.

A: Well, of course. That is what we were discussing a good part of the summer with the CLC, Mr. Joe Morris, and the others. We said, "We want to get out on the 14th of October. We want to stop controls at that point. But tell us, for heaven's sake, that you are not going to get back into an inflationary situation; you are not going to try and get increases of eight, ten and twelve per cent?" And Mr. Morris said, "Well, we cannot give you this undertaking. We are in a democracy and we cannot deliver the undertaking of all our unions to restrain themselves."

So we said, "Gee, that is too bad, because we wanted to end controls, and you are saying you cannot give any kind of undertaking. Therefore, we keep controls in."

In that sense, we asked, we begged for voluntary



restraints, some kind of general undertaking. Unfortunately, none was forthcoming.

Q: Mr. Prime Minister, a question on the referendum. Among the doubts that have been expressed about it was the doubt that it would result in the same sort of situation as the last referendum, the conscription issue in Quebec, with the rest of Canada seeking to impose its will on Quebec. I wonder how you would respond to that?

A: I would say that is a red herring. You cannot make that hypothesis until you know what the referendum is, whether it will be held in one province or in all, what the question will be -- whether it will be on the Constitutional amendment or whether it will be on the general problem of willing to stay in Canada. I do not think we should chase that red herring, which obviously Mr. Levesque is trying to drag across the path. His referendum is okay, but he does not like us to have one.

Q: Mr. Prime Minister, earlier today I think you implied the opposite -- that yours would be okay, but his wouldn't. Are you concluding, on the basis of the Green Paper in Quebec proposing the rules, that that referendum will be unfair?

A: I think you are misinterpreting my answer. When Mr. Levesque said he would have a referendum, I never said the idea of a referendum was inadmissible, unacceptable, and so on. I said, "Well, he is going to have a referendum. We will see what it asks and we will see what the answers are, and we will see if it is asked fairly." But when I say we are going to have a referendum nationally, then he begins to invoke conscription, and everything else, it is in that sense that I say if he can have a referendum, so can I.

Q: If I could explain the question, I was thinking in terms of actual rules. You referred to the limits on the right of association, for example. Are you concerned that the structures within which the Quebec referendum will be held will be somehow anti-democratic or unfair?

A: Yes. I think I expressed my views on that a few weeks ago. If the White Paper is implemented into law, it takes away the freedom of association, and I object to that as a democrat, most strenuously. I said I would not be bound by any referendum or any laws which prevented me from campaigning in Quebec. So, if we have a referendum, I hope that Mr. Levesque and others will watch our law to make sure that it is indeed democratic and that it is a model of consultation, but I can only base myself on what their White Paper said, and I objected to certain aspects of it. Maybe they will, knowing that we can have a referendum, make their consultation fair, and permit the various freedoms to be exercised, and maybe even to have the question in both languages.

Je veux que le gouvernement fédéral ait ce pouvoir, comme le gouvernement provincial québécois veut se donner le pouvoir. Je veux me battre à armes égales. L'hypothèse que vous posez en est une, que par exemple si le référendum provincial est absolument unique, qu'on dit souvent des règles qui manquent carrément à la justice et à la démocratie, j'ai deux (2) options comme gouvernement.

La première c'est de dire que ce référendum est tellement biaisé qu'on s'intéresse même pas à ses résultats et l'autre option c'est de dire, c'est bien, si c'est cela le sondage qu'on a fait, eh bien, moi, je veux en faire un démocratique dans la province seulement dans les deux (2) langues permettant la liberté de parole, la liberté d'association et on verra les résultats et on comparera les deux (2) .

Alors c'est une possibilité, mais ce n'est pas la seule de très loin. Je dis, ça peut même être fait dans d'autres sujets, par exemple la Constitution plutôt que le voeu ou non de rester au sein du Canada ou de se séparer.

Q: Mr. Prime Minister, a supplementary and then a related question. In your meetings with the provincial premiers, do I understand correctly that you will be not simply exchanging views, but presenting them with very specific proposals of your own on both the economy and on the constitutional side, and the second question is, can you tell us when approximately you will be presenting parliament with this constitutional measure of which you spoke in the Throne Speech?

A: The only sense in which my proposals would be precise, is that I want to have a good discussion and find out how their minds are working in the provinces on these different problems. I certainly would be making specific proposals, some of which have already been made in the series of meetings that we have had in the past years on the Constitution or in the letters we have exchanged.

I would like to have, on a one-to-one basis, their candid assessment of some such things. The same thing in the economic area. Some of them are clamouring for a federal-provincial conference on the economy. I think perhaps we will end up having one after I have gone around to see the provinces. I would like to know what they have in mind. I would like to see if some of these projects which they have and which might call for federal action are possible from our end. So, it is only in that sense that I would have questions. I will not just go there and sit and listen to them.

Your second question followed from the first, I think.

Q: I asked when precisely you will be presenting parliament with the constitutional measure about which you spoke in the Throne Speech.

A: Well, it does indeed follow from the first. If I can find a great deal of consensus and enthusiasm in the provinces on certain actions, economic or constitutional, they would follow, I would think, very early after the series of meetings -- perhaps even to the point of having a federal-provincial conference before Christmas. But if more time is needed, then it would only be in the new year that we would have such a conference and put measures before parliament.

Q: But your speech does imply that, with or without the agreement of the premiers, you will put something before parliament on the constitutional front in this session.

A: Yes, there are some things that we can do under the federal power, both in the area of the economy, as Mr. Chretien did yesterday, and in the area of national unity. There have been other usages of Section 91(1) by the federal government. But that obviously could not be as satisfying, because it could not involve anything which under Section 91(1) are reserved to the provinces. Therefore, it would be much more interesting if we could get some kind of consensus or agreement.

Q: Sir, are we to understand that Premier Levesque has agreed to meet you personally in Quebec -- in the Province of Quebec or in Quebec City -- in December on this issue?

A: No precise date has been mentioned to him, but on Sunday, when I met all of the premiers, I asked them on an informal basis, and I think I covered them all. I hope I did not omit any. But, you know, it was kind of a social situation and I did not have a check-list. I think I talked to them all. Certainly, I talked with Mr. Levesque and he said he would be happy to meet with me, either in Ottawa or Quebec City, or anywhere inbetween -- Hull, for instance.

Q: I would like to return to a line of inquiry which was not completely answered. You have been having trouble in your attempts to amend the Constitution because of provincial refusals to follow along with suggestions. You said the referendum could be a compulsory one and could involve the Constitution.

Are you envisaging as a possible line of federal action the holding of a constitutional referendum to permit you to act unilaterally on the Constitution?

A: I think that question was asked before by the chap behind you, who asked a couple of what I consider to be very good questions. My answer was, "Gee, I had not thought of it, but it sounds like an idea I would want to examine." I am glad that your minds are working. Hopefully, the minds of the people out there will be working when they read your reports, too, because it is an interesting idea -- this referendum idea. Somebody starts it and says, "We will



ask the sovereign people what they think." Maybe we should ask the sovereign people what they think. I will consider your suggestion.

THE CHAIRMAN: Stop making suggestions to the P.M. and just put questions.

(Laughter)

Q: Monsieur le Premier ministre, à quelques reprises, vous avez déclaré que la consultation populaire que le gouvernement du Québec envisageait était un plébiscite et non un référendum. A votre avis, est-ce que le gouvernement du Québec pourrait prendre des mesures pour que cette consultation-là devienne un véritable référendum? Si oui, quelles sont-elles?

R: Ecoutez, je veux pas m'engager dans la querelle des mots. Peut-être qu'on peut parler de référendum qui ne lie pas et d'un référendum qui lie et la même chose pour un plébiscite. J'ai cité en Chambre le plébiscite de Napoléon III, je pense, en 1851, évidemment ça liait le peuple français. Alors je veux pas me chicaner sur les mots, essayons de répondre à votre question sans attacher ma définition à ces mots en particulier.

Je l'ai dit tout à l'heure, sous la Constitution canadienne, comme je l'entends, le gouvernement fédéral pourrait passer une loi disant "nous allons consulter la population sur la question suivante". Si la question est répondue affirmativement, cette question-là à laquelle la question est oui aurait force de loi. Alors, dans ce sens-là nous pouvons nous lier par un référendum.

Je doute que le gouvernement provincial puisse faire cela, parce qu'en vertu de la Constitution toute loi pour être valable doit être paraphée ou signée par le Lieutenant-gouverneur en Conseil. Et je ne pense pas que la province en vertu de la Constitution puisse, par voie de référendum, faire une loi.

Alors c'est une opinion juridique et on n'est pas obligé de la partager. Et d'ailleurs je pense qu'elle n'a pas tellement d'importance parce que si, par exemple, le gouvernement péquiste disait: "eh bien, oui, on a un référendum qui est une consultation d'opinions", mais moralement on sera lié par la réponse, ce sera presque aussi valable que d'avoir un référendum qui a force de loi, s'il disait "moralement on est lié par la réponse".

Mais M. Lévesque nous a prévenus qu'il ne serait pas lié par la réponse, ce qui me porte à croire qu'il craint bien que la réponse à sa question soit négative, à savoir que le peuple ne veut pas se séparer, ne veut pas que le Québec se sépare du Canada.

Q: Mr. Prime Minister, I would like to come back to the question of Bill 101, and in particular the question of language of education. Last week you said that the English of Quebec lost nothing, but the French of Quebec did lose the right to go to English schools. But you failed



to mention the plight of the several thousand families who do not fall into either category who cannot go to English schools even though they opted to send their children to English schools because they are considered so-called new Canadians but they are Canadian citizens. What do you propose for them? They are caught in the middle of the squeeze right now.

A: Well, one thing I am proposing for them is that they will be able to express their views by way of a federally organized referendum. If they think that that is not satisfying, I give the same answer: the way in which you can change laws which are judged to be intravires by the courts is to change the government that makes those laws and to elect someone who will change that law. The purpose of my exercise in asking Mr. Levesque in my correspondence to entrench certain linguistic guarantees was to say, "Look, you have already taken rights away from the several thousand people and several million French Canadians -- you have taken these rights away from them. We hope that you are not going to take further rights away from the English-speaking Canadians who now have their rights under the Constitution and under Bill 101 to send their kids to English schools. Will you please at least sign on the dotted line that you are not going to have any legislation or any amendment to Bill 101 which is even more repressive than the one you have now."

That is my short answer. If a law is made in a province in which it is valid which we do not like, we can lament about it; we can go to the courts with it. But, as I indicated last week, I think the best remedy under the circumstances, not only in the democratic sense, but also in the sense of making sure the people of Quebec understand why they must either change their government or get the government to change their laws, is to have them cast their vote on it. Obviously, there are some very sad aspects of Bill 101 -- the one that you mentioned and others to which I alluded last week in the area of the language of business and the language which can be used by municipalities -- which will have deleterious economic effects.

Q: I am afraid, Mr. Prime Minister, I cannot resist your bate on sovereign people. It seems that for as long as you have been in politics you have expressed the view as Edmund Burke did, that representatives are elected and they take the decisions, and if you do not like their decisions, you turn them out at the next election. It seems that in your discussion of referenda you are departing from a view that you have held for a long time.

The second aspect of this is that I am not clear whether you are talking of a one-shot referendum on a specific question, or whether you are setting up a mechanism to instill this as a permanent part of our political culture.

A: You are very perceptive. I don't like the idea of a referendum. As I said in an earlier answer, I did not start it. But if there are going to be referenda used in

order to destroy the unity of Canada, if there is going to be that kind of a war on, I think we would be fools not to give ourselves, as I say, equal instruments or equal tools. As I said, we might not have to use it. We might never want to use it. I am prepared to discuss with the Opposition in parliament and the premiers the idea of enabling legislation which would be of short duration -- perhaps a period of five years, perhaps less -- so that we could get out of this uncertainty and get back to a system which both Edmund Burke and I both love and respect, the parliamentary system, which does not normally use referenda.

But they have been used, and Britain is the example which Mr. Levesque gives. They have as good a parliamentary system as most, and yet they used a referendum in order to determine what the national will was as regards the Common Market. So, you do not have to destroy your faith in parliamentary democracy just because you have had one referendum. That is my general answer. It is not a tool I am seeking to use. It is a tool that I think we should have, if it has to be used, and I am sure the Opposition parties will understand this, because I would not, in this kind of question, want to proceed with a very serious discussion and exchange of ideas with not only all of the party leaders but, as I said, with the premiers of the provinces. But it is not inconceivable that Mr. Levesque would want to sit down and discuss the federal referendum legislation with us.

TRANSCRIPT OF THE PRIME MINISTER'S PRESS CONFERENCE  
IN OTTAWA, OCTOBER 28, 1977 (2:30 p.m.)

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TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A OTTAWA, LE 28 OCTOBRE 1977 (14h30)

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Q: Monsieur le Premier ministre, voulez-vous nous dire quand vous avez appris l'affaire de l'infraction au Parti Québécois et aussi quelle est votre appréciation de ce geste et, enfin, la deuxième partie de la question serait: est-ce que vous pouvez nous assurer qu'actuellement, maintenant que le Parti Québécois est au pouvoir, il n'est pas l'objet de surveillance de ce genre de la G.R.C.?

R: Eh bien, je l'ai appris il y a quelques jours, quatre (4) ou cinq (5). Deuxièmement, mon appréciation, et je répète ce que M. Fox, le Solliciteur Général, a dit: que, dans le contexte de cette période, il était difficile de savoir où la violence se logeait et quelle était la distinction entre tel et tel groupe de séparatistes puisqu'il y avait un groupe de militants qui avaient été jusqu'au kidnapping et à l'assassinat. Je pense que la police, agissant d'elle-même, a fait de son mieux pour essayer d'obtenir plus de renseignements sur ceux qui pourraient, par des actes de violence, troubler la paix au Canada. Il faut se rappeler qu'après les événements d'octobre 70, beaucoup de gens se sont plaints que la police était fort ignorante et peut-être qu'elle connaissait les Communistes au Canada mais ne connaissait pas ceux qui, de l'intérieur, voulaient briser le pays d'une façon violente et illégale. La police s'est organisée pour faire une plus grande surveillance et, à un moment donné, nous a demandé des directives et quand cette demande a été adressée, nous avons dit: eh bien, il ne faut pas surveiller systématiquement un parti démocratique. Je l'ai dit en Chambre, cette directive a été rendue publique et, à partir de ce moment-là, la Gendarmerie Royale a cessé cette surveillance.

Q: Une question supplémentaire: en 70 le Parti Québécois avait clairement exprimé une prise de position contre la violence. Comment se fait-il qu'à ce moment-là on ait pris la violence comme raison pour ... ce genre de surveillance semble un peu difficile à expliquer et à comprendre?

R: Eh bien, pour les mêmes raisons que celles du Parti communiste canadien lorsqu'il s'est exprimé contre la violence. On sait qu'il y a des gens dans ce parti qui militent dans ce parti qui, peut-être, dans le passé ont agi illégalement. Il y en a qui ont fini en prison. De la même façon, les policiers ont dit: puisqu'il y a une menace à la sécurité intérieure du Canada, elle était associée à une certaine aile militante et violente du séparatisme; on va surveiller dans ce secteur. Je le répète que lorsque cette surveillance a été portée à notre connaissance, j'ai donné un ordre très strict: qu'on l'arrête et on l'a arrêté.

Q. Mr. Prime Minister, the opposition today is suggesting that the Solicitor General did not know about these R.C.M.P. illegal activities and that perhaps somebody higher in the government did and Mr. Baker has suggested by inference that you did and I wonder if you can assure us that even considering the mood of the time that you did not call R.C.M.P. officers in personally and instruct them to undertake these activities without the Solicitor General knowing?

A. If you are talking about surveillance of the Parti Quebecois, of course I knew about them. It's when I heard about them that I said, Gee, we have got to stop this. We can't go on exercising surveillance on a democratic party. It is a legal party and it has a right to exist and I stated in the House that our policy henceforth was not to have this kind of surveillance. So in the sense that I was informed at the time that this was done I was not informed nor were the Solicitor Generals so they tell me that in order to exercise this surveillance there was some action which might be described as illegal which will be brought before the courts if the Attorney General of the province feels that should be the case. In other words, the precise action which Mr. Fox and I learned about, I believe, at the end of last week about taking tapes from an office I believe -- this I did not know about. Of course I knew when they told me that they were looking at the Parti Quebecois. I said don't do that. It's a democratic party. It's a legal party. You can't exercise surveillance on it systematically any more than you can on the Liberal or NDP or Conservative Party. Social Credit. That is when they destroyed the tapes and reversed their policy. But once again, as I said in French, you have to put yourself in the context of the times. When the R.C.M.P. had been very strongly condemned by a lot of Canadians, including those sitting in the Official Opposition, because they did not have information permitting them to track down the kidnapppers and assassins of Pierre Laporte and the kidnapppers of James Cross and so how is it you are a security and intelligence service and you don't have any more data than that on these people? What have you been doing? So the police, with our knowledge and consent, began to shift their area of surveillance from, shall we say, foreign terrorism, foreign inspired and ideological terrorism to some that might come from inside and which resulted in, you know, several years of kidnappings, bombings, and, you know, one murder, so they began to look at them and at some point they said, well, you know, we want you to know that we are looking at the Parti Quebecois and the Solicitor General and I said, well, what do you mean you are looking at it? If you are looking at people within that Party of whom you have reasonable probable cause to believe that they may be perpetrating some illegality, fine, just as you should be looking at anybody in the Liberal Party or any other party who might



be a cause of subversion, but if you mean you are looking at the party and exercising surveillance of it as a party, you shouldn't be doing it and that is when they stopped doing it.

Q. Mr. Prime Minister, Mr. Fox's statement to the Commons this morning goes on at great length to suggest that because the Royal Commission on Security in 1968 did not specifically forbid the police from breaking the law that there is a question that there is some ambiguity. You, sir, are a distinguished lawyer. Do you believe or do you subscribe to the theory that because it is not spelled out in the Royal Commission report that there is, in fact, some ambiguity as to what the parameters of the police should be in the enforcement of the law and in carrying out their duties?

A. There is no doubt in my mind nor that of the Solicitor General that every person in Canada should obey the law and that is true whether you are a member of the security service or not, but Mr. Fox, in his statement asks a more deep and fundamental question which was left unanswered by the Royal Commission on Security in its 1968 report. What do you do if you look at people who are breaking the law themselves in order to perpetrate violence and subversion and so on. What do you do? The Royal Commission said well, you know, you have got to stretch the law to its limits and sometimes it might even be stretched beyond the limits. You ask me as a lawyer. There is a very simple thing to do. It is to make such types of surveillance permissible by the R.C.M.P. or by whatever security agency you have and this is what we have asked of the McDonald Commission, the Commission inquiring into the R.C.M.P. to advise the government on. Do we have to change the law in order to permit the police to do certain things without which they cannot guarantee the safety of this country and we hope to have an answer and we hope a lot of people will be thinking about this problem.

Q. Sir, are you suggesting that the present law which allows search warrants, which allows the implantation of wire taps, which allows -- and of course there was no protection of the Privacy Act at that time -- are you suggesting to us today that the law, as it stood then, with all these vehicles was not adequate for the police in order to ascertain this information?

A. I can't answer that in absolute theory. My answer is that in some cases, yes. It might be possible that you know of a given terrorist who happens to have hidden his documents in a given safe in some given building and you have tried every way you can to find the secret to the atom bomb he is going to blow up in the middle of the city -- and you must have gone to the movies and read books about this kind of thing and how do you get the secret that he holds that is going to blow up the whole city? You know, at some point I bet a reasonable citizen would say well maybe if the police used

A crowbar to get into the window of that office, well they did break the law but, you know, -- I see you shaking your head. Policemen break the law sometimes, I suppose, when they drive 80 miles an hour in order to catch the guy who is escaping from a bank or go through a stop sign. I see you are a very great purist on this. Well, I am prepared to stand by my views on this. I think if in circumstances like that the law has to be broken technically in order to save a city, then I think either it should be broken technically or the law should be changed to make that not an illegal act and that is what McDonald is going to advise us on.

Q. The justification you have given to law breaking in the interests of national security -- can you tell me how that differs from the justification that former President Nixon used to give of his national security cover-up following Watergate?

A. Really, you know, I didn't follow the Watergate inquiry as much as you. If you could ask a specific question about what he did and how it parallels this line I might be able to answer you.

Q. Well, I think the parallel is the use of national security as a justification for law breaking throughout the Watergate period. He was saying what we did was for reasons of national security. Therefore, I don't have to divulge what I did and therefore what I did is all right and this sounds very much the same to me.

A. Well, on the contrary. Mr. Fox divulged what happened and he made a clear statement to the Attorney General of Quebec and to the Commissioner inquiring into the R.C.M.P. of the illegal acts we know. This is very different from what you seem to be drawing as a parallel. Everything we learned which is illegal we have said. What I am saying is that I am not prepared to condemn, you know, irremediably the people at the time who might have done an illegal act in order to save a city from being blown up or whatever it was and it seems to me that that is a very different case from trying to hide our conduct or excuse the conduct of the police -- you know, I am saying that when they found out that they did something illegal we told them to stop it and we told them that they might have to be subject to due process of law for it and we gave the names and the actions of which we know of to the Attorney General of Quebec in this particular case.

Q. Just on that line of thinking then, would you, in further such cases, give approval in advance for such acts?

A. Of course not. You know I have always told the police that they have to observe the law and this is what my earlier statement made clear. They must observe the law and if they are caught at breaking the law or if they break the law and we discover it, they will have to pay for

it. What I am saying now is that maybe there are certain cases of surveillance which should be authorized in the name of national security and this is -- I don't have the answer to that. I have asked Justice McDonald to chair a Royal Commission to look into this very matter because, as was said earlier, the Commission of 1968 sort of skated around this and warned people that in the area of security sometimes the law was stretched but they didn't recommend to my recollection any specific changing of the law in order to permit the stretching to take place within the law rather than without.

Q. Mr. Prime Minister, in Mr. Fox's statement today referring to the press agency break-in in Montreal, he says at the time we believed it was an isolated occurrence. Surely it is accurate and factually true that all along in the security section of the Privy Council Office some, although not all, of the Ministers responsible for the R.C.M.P. and at least two of your predecessors in your office have known that the security service does, from time to time, trespass and rather less frequently actually break and enter. Is that not a correct statement?

A. To my knowledge, it is not a correct statement.

Q. You have been Prime Minister for nine years. Have you been unaware during these nine years that it is not an uncommon practice for the security service to commit trespass and occasionally break and enter?

A. That is right. When I discovered that some illegalities had been committed -- the first time I knew of this whether you call them trespass or break and entry -- when I first knew of this in the Spring of '76 I had the then Commissioner in with the then Director of Security saying you know, if this is the way you operate, we better name a Royal Commission to make sure that there are no further illegalities committed of which we know nothing or alternatively if you need to use certain means in order to obtain certain information essential to the security of the state then that you get legal authority for it and that is when I discussed the setting up of a Royal Commission to look into the R.C.M.P. and it is only on their assurance that this case in Montreal on the APLQ was an isolated act; that they had no knowledge of any other; that there was no need for a general investigation; that they would make sure that their police knew that they had to act always in every case within the law that I said well, okay, we won't set up this Royal Commission and it was only after further evidence that it wasn't an isolated incident that there were what, two or three others of which we obtained subsequent knowledge that I said, well, in that case, we will set up this Commission of Inquiry.

Q. Well, sir, naturally I accept your statement --

A. Thank you very much.

Q. -- but being true, doesn't it follow that



there is a question of whether and your government have paid adequate attention to a very sensitive part of public administration during those years in which you remained in blissing ignorance.

A. Well, I am sure you can ask yourself that question but I would put to you another point of view; that if the government, the Ministers or myself had began asking the R.C.M.P. in any detail about their operations and where did you get this fact on the file and who gave you this information and what do you say on so and so in your file and how do you know -- we would certainly have been accused by the Opposition and probably by people like yourself, Mr. Wilson, of having undue political influence and interference in the R.C.M.P., so there is obviously a trade-off to be brought here and we tried to bring this trade-off. For instance, if we are hiring somebody for a sensitive position or if I am naming somebody to the job of Minister I do ask the R.C.M.P., do you have a file on so and so and if so, what does the file say, and they tell me. They say, well, Mr. So and So or Mrs. So and So, we consider to be a security risk for such and such a reason. He was seen in the company of so and so on such a date. We know that he went to China in such a year. We know that he has subversive books in his library and so on. And they give me the file and very often they say we had this from generally reliable sources but, of course, we have no absolute proof of it.

Now, I have never asked them, you know, what are your reliable sources and did you get this information through a break-in or because somebody slipped it to you legally, did you pay for this information. I have never asked them that. I am not interested in asking them that and if you think it is the job of the Prime Minister to second guess the police in every way -- the security police in every way that they get information -- well, you have a different conception of the job than I do.

Q. Well, isn't it the responsibility <sup>isn't it</sup> of the Prime Minister <sup>the Prime Minister</sup> to know the pattern that is employed?

A. Well, all I can say insofar as -- yes, precisely. If you use the work illegality my assurances were that the R.C.M.P. acted within the law and as an evidence of that I indicated that the first time that I understood that they acted not within the law, I proposed to set up a Commission of Inquiry to know if this was a pattern or not so that should satisfy you as regards to patterns.

Q: Monsieur le Premier ministre, il y a quelque chose de curieux dans le raisonnement de la police quand on sait aujourd'hui ce qu'elle savait en 72 à la suite de la perquisition à la P.L.Q., c'est-à-dire que le F.L.Q. était moins que moribond à toutes fins pratiques et inexistant et qu'en 1973 elle se permette ensuite de faire une perquisition illégale et un cambriolage dans un des locaux d'un parti politique. Est-ce que vous ne trouvez pas ça curieux comme justification du geste posé?



R: Je crois que vous répétez la même question que la première. Mettez-vous dans le contexte d'une police qui a été vraiment vilipendée parce qu'en 70 elle n'a pas appréhendé assez tôt les kidnappeurs de M. Cross et les assassins de M. Laporte. Mais comment, vous n'êtes pas informés sur ceux qui par la violence veulent briser le pays, etc., vous n'avez pas d'agents d'information dans ce domaine-là, vous ne faites pas d'enquêtes dans ce domaine-là? Ils ont essayé de corriger ces lacunes et n'oubliez pas qu'on agissait d'après une séquelle d'une centaine d'actes illégaux et violents à partir de vols d'arsenaux, d'explosions sur des voies ferrées, de kidnapping et d'un assassinat d'un homme politique. Alors dans ce contexte-là ils ont dit: bon Dieu, il n'y a pas rien que les Communistes qui sont une menace pour le Canada, il n'y pas rien que les Maoistes, il y a peut-être aussi des séparatistes violents. Alors essayons d'obtenir des renseignements sur ces gars-là. Je le répète, dès qu'on a appris qu'ils exerçaient une surveillance sur un parti politique légalement constitué j'ai pris sur moi de dire: arrêtez cette surveillance et ils l'ont arrêtée. Mais ils ont continué et j'espère qu'ils continueront de chercher chez tous les partis, y compris le Parti Québécois, des gens dont on pourrait avoir une raison justifiable de penser qui veulent agir par la violence. Ça s'appliquerait à mon parti comme à n'importe quel autre.

Q: Une autre question. Est-ce que les informations que vous avez jusqu'à maintenant concernant cette affaire en particulier vous permettent de dire que les documents ou une copie de ces documents a pu être refilee au Gouvernement du Québec à l'époque? C'était à la veille des élections.

R: Je n'en sais absolument rien et je n'ai aucune raison de croire cela. Je sais que ces renseignements ont été détruits. Je sais par ailleurs que ce genre d'information, s'il est obtenu légalement, ne constitue pas une chose pour me scandaliser. Si par hasard un parti d'opposition obtient la liste de mes commettants ou des membres de mon parti et prend cette liste pour leur envoyer de la littérature pour prouver que le Parti Conservateur est meilleur que le mien, je ne me scandalise pas de ça. Tout ce qui est mis en cause c'est la façon dont ils obtenu ces listes-là. Alors je dis: à partir du moment où on a appris que c'était fait illégalement, on en a informé le Procureur Général de la Province de Québec pour qu'il voit effectivement s'il y avait eu illégalité. Je ne veux pas préjuger du jugement qu'en fera le Procureur Général ou éventuellement les tribunaux, mais à partir du moment où nous nous étions renseignés auprès des policiers ils ont dit: Eh bien, il y a telle affaire dont on doit vous avouer qu'on ne vous en avait jamais parlé: l'obtention de ces listes par tel moyen. On a dit: bien ça c'est grave. Si vous voulez, on va demander au Procureur de la Province de Québec de faire enquête là-dedans.

Q. If I may change the subject. I don't know.

There might be some other questions on the same subject.

I don't want to butt in. A few days ago the South African Ambassador was called on the carpet and given a tough talk on violations of human rights in South Africa. Shortly before that, a group of intellectuals was tried in Prague for the crime of having signed a protest against systematic violations of human rights by the regime operating in Czechoslovakia. My question is why hasn't the Czechoslovakian Ambassador in Ottawa been given the same treatment and why hasn't the Canadian Government to this day protested or done anything about the attempt of the Prague Government to intimidate groups of Canadian citizens?

A. I am not too aware of the nature of the incidents that you are referring to in Czechoslovakia, but, you know, if they are as you say and if they have the same kind of gravity for human rights as in South Africa, then my answer is we should and maybe we did protest to the Czech authorities.

Q. No. I asked External Affairs and you did not.

A. Well, I will ask them why and maybe at the next press conference I can speak to it. There may have been a distinction between the two cases.

Q. My second question refers to an instruction or rather an edict by the Prague Government issued last Spring that citizens of another state who left Czechoslovakia after the invasion, the Soviet invasion, should or must regulate their legal status with the Prague Government. Otherwise their relatives will never be allowed to see them again. This is causing quite a panic among a sizeable group of Canadian citizens and nothing has been done so far.

A. Well, if nothing has been done, I can do something about it right now. I think this is unacceptable treatment of Canadian citizens and they should not be made subject to blackmail. It is also contrary to that part of the Helsinki Agreement that Canada worked so hard to have inserted in the Helsinki Agreement. The free movement of ideas and people. I don't know if anything else has been done but I am certainly prepared to make a statement now to that effect.

Q. Mr. Prime Minister, you said that once you were aware of these illegal activities by the R.C.M.P., you stopped them. I wonder if you could give us some rough idea of the date it happened and whether or not you are satisfied that they have all stopped now?

A. Well, you are talking of "these" illegal activities and you are talking about this recent one which was talked about today by Mr. Fox?

Q. Yes.

A. Yes. I was made aware of it late last week.

Q. Oh, so it was just since last week that you ordered this stopped?

A. No. If you are talking of illegalities --

Q. Yes?

A. I have always taken the position that they should not take place; that the R.C.M.P. should not engage in any illegalities. When I found that some illegalities had, in fact, been perpetrated by the R.C.M.P., that was in the Spring of '76. Not only did we pass this information on to the Attorney General of Quebec but I very seriously considered setting up a Royal Commission of Inquiry to see if there was a pattern to use a word that was used earlier and it is only on assurances that this was an isolated act and had no pattern that I deferred the setting up of that Royal Commission and that assurance is one that I relayed to the House of Commons at the time saying that I had been assured by the Commissioner and the head of the Security Service that as far as they knew, it was an isolated act.

But, you know, I said keep looking because I won't set a Commission of Inquiry up but we don't want to be caught with any other illegalities that crop up so find out if there are any others and since then I believe there have been two cases that we have found out about and which we transmitted to the Royal Commission of Inquiry on the one hand and to the Attorney General of the Province where the acts that had been committed.

Q. But it was last week that you said: stop looking into the PQ?

A. No.

Q. I am sorry. I am still confused on this.

A. It's back in '73 or '74 that I said stop looking into the PQ. What I said last week is that you are telling me now that not only have you been looking at the PQ but you have been looking at it illegally or in ways anyhow that might be judged by a court to be illegal and so on this illegality as I say I put it to the Attorney General of the province as far as stopping to look systematically at it which were the words which I used in the House at the time at a political party which exists legally and democratically - I issued those guidelines a few years ago. I think it was '74 and it is as a result of those guidelines as a matter of fact that there was a letter leaked, as you will recall, to the Toronto Sun by, I think, Mr. Nadon to -- I forget who -- anyhow but from somebody to somebody high up in the security service saying Trudeau is telling us he doesn't even want to have any information in the future about separatists that he might want to hire in the Civil Service. I said no. That's wrong too. What I am saying is that I want to know if you've got any information on separatists if we are going to hire any in sensitive spots. We might hire them and we may not. I am not telling you that we don't want information on them. I am telling you that you should not exercise systematic surveillance on a democratic party but whether he is a Liberal or



a separatist or a socialist -- of course, if you feel that he is a security risk, we want to know about it before hiring him.

Q. I would like to ask what progress has been made with regard to setting up a Commonwealth, a Francophone Commonwealth, such as Mr. Goyer has been talking about and where the idea originated and to what extent this Commonwealth would be modelled on the British Commonwealth?

A. I don't know where it originated. I wouldn't want to claim to be the father of such a good idea. I know that at least a few years ago in my talks with leaders of French-speaking countries they often asked me about the Commonwealth. Frequently I would be coming from a Commonwealth meeting where I would have met a lot of their counterparts and I took it upon myself to say that it was a darn good idea that heads of governments from less developed countries from the Third World and from other parts of the world could get together every once in a while at heads of government or heads of state level to talk directly in a common language about international problems and I suppose in that sense I began to promote the idea some time ago. Maybe as much as two or -- I don't know. A bit more or a bit less. I can't remember. I think the first time that I talked about it in a clear way was probably to the President of Senegal two or three years ago but even before that the first time I went to Africa on Mr. Pearson's behalf back in the early part of 1967

as his Parliamentary Secretary before we had created the Agence Francophone I was talking about the advantages of that type of a commonwealth and that Canada which was a Member of the Commonwealth of Nations English-speaking -- if it wanted to reflect its true bilingual reality across the world in its foreign policy would be interested in a Francophonee which turned out to be l'Agence which was limited to technical and cultural aspects.

That's good but I have gone beyond that many times. As I say, probably as much as two years ago by saying apart from these cultural and technical problems it would be interesting to have a political forum where we would talk politics including international politics amongst heads of French-speaking leaders of the world, so I think it is a good idea. I hope it will come to fruition. I have no precise plan now to launch it. I would hope that it would launch from the interest shown, I think, by an increasing number, I think, of French-speaking leaders across the world and I think we stated last week rather clearly that it had been discussed between the President of Gabon and myself.

Q. Is France one of the countries that has been approached on this question and if so, do you expect France's co-operation?

A. Yes. President Senghor -- and I don't think I am breaching any confidence -- told me he had raised it directly with the President of France and I



believe the French have indicated some interest because at the meeting they had of Francophone countries I believe it was in l'Ile de Maurice a year or so ago this subject was raised and I believe the French Prime Minister was present there. These dates and exact locations will have to be checked, but it is an idea which is going around and which I raised again with the Secrétaire général de l'Agence Francophone when he visited Ottawa. I guess some six months ago.

Q. Mr. Prime Minister, I have two questions on unrelated subjects. One, just to clear up something in my mind about Mr. Fox's statement today.

Q. In it he said that in 1975 the R.C.M.P. destroyed the material that was taken in the legal or illegal entry into the Parti Québécois headquarters. I am wondering -- at the time they destroyed that material obviously they destroyed it at the behest of the indication that you have given from Cabinet as to who should be under surveillance and who should not be and they didn't take the trouble at that time to inform you, I, that they had the material and 2, they were destroying it. If you felt you had been lied to and my other question was about the referendum. Do you think that the R.C.M.P. have been lying to you all along?

A. The other one was about the referendum or do you want to come back to it?

Q. That is my second question.

A. But you would like me to deal with the first one first?

Q. I was just wondering if you felt you had been lied to all along by the R.C.M.P. in this matter particularly in that instance that we have been talking about?

A. Well, just to correct your facts only slightly, my information is not that they broke into the Parti Québécois headquarters but that they broke into some other place -- a journal, I think it is -- a newspaper which had these lists. The second question is yes. Obviously, I didn't know that they destroyed these lists at the time because I didn't know that they had them. I did know that they had been exercising surveillance on the Parti Québécois and very conceivably that in order to do that they would try to have lists of Parti Québécois members. I wouldn't have found anything shocking about that if they had told me and maybe they did tell me. I don't know. The important thing is that they didn't tell me that they got them by some means which might be judged illegal but that was, you know, in the background. That wasn't raised when I said, look, you can't -- I don't think you should as a matter of policy. Mind you, some other government might change that policy. I don't think it should be all that shocking if some government in other circumstances sort of said we want to have all the names of the members of the Trotskyite Party in Canada. Don't do it illegal but try

and find them. So what? Maybe they have all the names of the Liberal party. I wouldn't fall off my chair and I don't think the Parti Quebecois would be very surprised to learn that. I am sure that a lot of people have a list of the Parti Quebecois members. Perhaps the then government of Quebec did. Perhaps those who were selling us little fleur de lis had that list. So that the only relevant thing is that the Federal police was exercising systematic surveillance on a party and I said it should not. Now, I am sure that in years to come people will say well, Trudeau was too lax. He should have let them exercise surveillance on that democratic party. I will be judged by it, but my judgment in whatever it was, '74 or '75, was that there was no need to do that. Should there ever be any need to exercise surveillance of a democratic party whether it be the Liberal Party or any other, I would tell them to go ahead and do it.

Q. On the question of the referendum I just wondered if you wanted to take us any further than you did last week when you stressed the need for stability in the country and gave us a number of scenarios of a referendum within all of Canada on the constitution within Quebec before Mr. Levesque's referendum, after Mr. Levesque's referendum because there would be a whole series of votes and it might be that we are in the polling booths forever and I wonder if you might clarify to prevent any uncertainty that might arise from these series of polls and decisions that we may or may not have to face as to what exactly you did have in mind?

A. No. I had in mind creating a great deal of uncertainty and I am glad I succeeded.

Q. Mr. Prime Minister, I wonder if I could ask you a supplementary question. A number of months ago you said that you would never negotiate a separation of this country and I wondered if that was still your position irrespective of the results of any referendum or plebiscite?

A. Yes.

Q. Thank you very much. I just wanted to ask you about the trip of Mr. Levesque to Paris. A great deal of significance is being placed on a few things that the premier is doing in Paris and I wondered what you said to the French foreign minister when he was here in Ottawa about that visit of Mr. Levesque and secondly do you think that the treatment that Mr. Levesque is receiving in Paris is enhancing the separatist approach by the Quebec Government?

A. Well, you know, as a forward I think this is a case where perhaps we will create the event rather than the event existing with very great dimensions by itself. I understand there is some one hundred Canadian journalists over there to report on this event. I am not a great believer in creating an event at least not to the benefit of the people. If something wrong happens over there, well, we will react to it, but if Mr. Levesque is received like

other provincial premiers were received from other provinces or previous premiers of the Province of Quebec, I won't make an event out of it. That is more or less what I told the French Ambassador. You know, if they treated Mr. Levesque more or less as they treated other premiers, particularly those of Quebec -- we have always treated Mr. Levesque like that, too. We have always said that we would deal with the premier of that province democratically elected as we deal with any other and in that sense it would be business as usual, but I sort of said, make sure that you don't give greater credence or greater credit to him than you do to the others because, after all, one of his commitments is to break up Canada, and although he didn't exactly ask to be elected on that, he is saying now that that is what he wants to do and I would be very concerned if France or any other country took any action which indicated that they were sympathetic to any secessionist movement or a secessionist leader within Canada just as I suppose France or any other country would be very concerned if we did that to any of their secessionist leaders.

Q. Have you been kept informed about French preparations for receiving Mr. Levesque and did you approve of them?

A. Well, certainly I wasn't in a position to approve or disapprove of anything. I have been kept informed of some rumours that have surfaced as to possible things that would be happening with Mr. Levesque but I guess it is fair to say that I will only know what the program is in a final sense when it takes place. As I said, I made a general *mise-en-garde* at the outset that I hoped that it would be within the general framework acceptable to Canada and that framework I defined as more or less what has been done for other premiers. There may be some variations. It would be a matter of judgment as to what effect they constituted an endorsement or otherwise of separatism. You know, the French policy has been repeatedly stated to be one of non interference in Canadian affairs but one of great interest obviously in the future of French people in Canada and that is a fair policy but I think it should be left to our judgment as to what constitutes an interference or not. We will exercise that judgment.

Q: J'aimerais vous demander si vous avez des objections sérieuses à apporter, des amendements à la Loi sur les mesures de guerre comme le suggère votre député, M. Serge Joyal?

R: Ecoutez, je n'ai pas d'objection sérieuse, j'ai même souhaité dans les mois qui ont suivi l'adoption de la Loi des mesures de guerre par le Gouvernement que je dirigeais j'ai souhaité que cette Loi soit remplacée par d'autres dispositions probablement insérées dans le Code criminel qui nous permettraient de réagir avec vigueur à chaque fois que la sécurité de l'Etat est envisagée et menacée dans le sens où

elle l'était en octobre 70 sans pour cela invoquer la Loi des mesures de guerre. Le Code pénal de beaucoup d'autres pays a des dispositions permettant dans des cas exceptionnels, dans des circonstances définies, l'arrestation de personnes simplement d'une façon préventive. Enfin, ça doit arriver cent fois par année en France, par exemple. Lorsqu'un visiteur de marque vient de tel pays pour aller à Paris, on s'arrange pour que les gens venant de ce pays-là, dont le but est de renverser cet Etat en particulier, on les envoie tranquillement se promener en province. Tous les pays ou presque tous les pays démocratiques ont de telles mesures. Alors à ce moment-là, j'ai proposé à la Chambre, je continue de souhaiter que cela soit fait un jour, que de telles dispositions soient adoptées nous permettant de réagir à une menace de violence sans pour autant invoquer les mesures de guerre. M. Joyal est tout à fait dans ma ligne de pensée et je ne pense pas qu'il vienne de découvrir cela, sauf erreur il devrait intercéder auprès de l'opposition pour qu'elle collabore avec nous pour faire adopter de telles mesures, ce que j'ai d'ailleurs proposé à l'opposition à quelques reprises.

Q: Est-ce que vous comptez donner suite à ce projet?

R: Mon Dieu, je l'aimerais, mais je ne peux pas dire que dans le contexte actuel ce soit une de nos très grandes priorités.













TRANSCRIPTION DE LA CONFERENCE DE PRESSE DU PREMIER MINISTRE  
A OTTAWA, LE 26 JANVIER 1977

Q: Mr. Prime Minister, if you had access right now to 1,770 New York financiers to rebut some statements that were made yesterday, what would you say? As a secondary question, what do you plan on doing right now to counter what seemed to be some direct economic ill effects, some spin-off right now -- the lowering in value of the Canadian dollar today following the speech and the talk about Canadian, not just Province of Quebec, bond interest rates rising, and that sort of thing?

A: I would tell them I am sorry they were disappointed, if that is the case, with last night's speech; that they should not worry as much as they apparently are, and that they should go on investing in Quebec and in Canada because separation is not going to take place.

Q: Monsieur Trudeau, est-ce que vous êtes décontenancé par le discours que René Lévesque a prononcé hier à New York, ou si vous estimez qu'au fond, ça apporte de l'eau à votre moulin et que ça va favoriser vos 5 élections partielles?

R: Je ne peux pas dire que je suis décontenancé. Pour ce qui est des élections partielles, je pense que quand elles arriveront, il y aura beaucoup d'eau qui aura passé par le moulin, comme vous dites.

Ce qui est remarquable dans le discours de monsieur Lévesque hier soir, c'est que tout son projet d'action, tout ce qu'il propose de faire pour améliorer la situation dans le Québec au point de vue administratif, au point de vue légal, au point de vue législatif, tout cela peut se faire en vertu de la Constitution actuelle.

C'est remarquable qu'il soit allé aux Etats-Unis pour expliquer pourquoi le Québec avait besoin d'être indépendant, et il n'a rien dit qui supposait l'indépendance du Québec pour amener la bonne administration dont il parle, enfin, couper les dépenses, faire des économies, enrayer le chômage, corriger les disparités régionales, nationaliser l'amiante, obtenir de meilleures relations patronales-ouvrières. Bien, on ne demande pas mieux qu'il le fasse, et certainement qu'on va collaborer avec lui, parce que c'est important que le Québec ait une bonne administration, c'est d'ailleurs pour ça qu'il a été élu.

Alors, nous l'appuyons complètement. Il y a peut-être une exception à cela, c'est quand il a dit que le processus de tamisage des investissements étrangers serait un peu différent si le Québec était indépendant, mais il n'y a pas là de quoi fouetter un chat.

Alors, le discours m'a un peu étonné. Il est allé là, il a parlé de la bonne administration nécessaire pour la Province. Tant mieux. C'est pour cela qu'il a été élu. Mais quand il a laissé entendre qu'il avait été élu pour faire l'indépendance, bien, c'est faux. Lui-même n'a pas fait d'élection là-dessus.

Mais encore une fois, je souhaite comme je disais tout à l'heure à monsieur Hénault, je souhaite que cela ne nuira pas à l'investissement dans le Québec, parce qu'au contraire, nous souhaitons que les Américains et les autres continuent d'investir dans le Canada, d'acheter nos obligations, de prêter aux Canadiens, y compris aux Québécois, parce que nous voulons la relance économique.

Q: Mais le fait qu'il semble avoir changé sa priorité, semble maintenant donner la priorité à l'indépendance et non pas à la bonne gestion, cela ne vous fournit pas des armes, ne vous inspire pas des termes de combat?

R: Oui. Mais ce n'est pas le moment de tirer du canon. Ça viendra.

Pour le moment, je lui souhaite bonne chance dans sa bonne administration. Mais pour ce qui est de se battre pour l'indépendance comme je l'ai dit tout à l'heure, je voudrais rassurer les Américains, parce que je ne pense pas que l'indépendance se fasse.

Q: Mr. Prime Minister, do you have any comment on the press coverage which was given to Mr. Levesque in New York? Do you think that the media is giving the Premier too much attention at this time, or do you feel that it is required at this time?

A: Are you feeling guilty, or something? It was an event and it was covered by the media. What is the problem? They are giving me equal time now.

Q: You do not feel that the media is playing a role in advancing Mr. Levesque's notion of separation?

A: Well, it is a dramatic event, and the media is covering it. You know my general sympathies are with the media.

Q: Mr. Prime Minister, in the thirty-two days since we last saw you, Mr. Levesque has taken several steps ---

A: You have not been watching television.

Q: -- to bring about confrontation with Ottawa, and you just said in French a few moments ago that this is not the time to fire the opening shot. I am wondering when is the time to fire the opening shot? Do you see any intellectual dishonesty in what Mr. Levesque is doing, and when do you respond?

A: Well, I fired a little shot a moment ago when I said that what he did in New York was false. You call it intellectual dishonesty. I fired another couple of little

shots because he broke the agreement on the Anti-Inflation controls without notice, and just this past week his government broke the agreement on manpower training in the linguistic area for immigrants without notice. Bang; bang -- little shots.

Q: Perhaps I could rephrase the question, Mr. Prime Minister, by way of supplementary. Do you believe that it is important for you not to engage in a confrontation with Mr. Levesque; that it might become a Canada-Quebec confrontation if you accept the bait?

A: I must renew our commitment, insofar as he is looking for good administration, to co-operate with the government of the province. It is a new government. It says it will have a committee on priorities, and I know how successful that can be. I hope we will begin to see what those priorities are and that one of them will be co-operation with the federal government. Obviously, the federal government has a large role to play in the economic, social and political future of the province. But I repeat what I said at the election -- I think the very night of the election -- we will co-operate with them. He heads a democratically elected government. I am not trying to pick a fight. If some things go wrong, such as the unilateral breaking of agreements, I will say I regret it and try to be more careful in the future when we sign agreements with him. I do not think it is a good thing on his part, if he is trying to borrow money, to give an example that he breaks agreements that easily. But I do not think it is time -- and I guess this is what you are asking -- to fire some big cannons. We are going to have some by-elections. I might start accumulating my powder then.

Q: Mr. Prime Minister, you seem to be indicating that Premier Levesque somehow dupes Quebecers when he promotes the cause of independence after campaigning on a platform

of good government. I fail to see how that differs, at least in a philosophic sense, from your own 1974 campaign when you fought wage and price controls and then imposed them a year or so later.

A: I think I would have to answer you in terms of the cyclical nature of the upswings and downswings and try to convince you -- whether I succeed or not is a different matter -- that controls may not be needed at one time and may be needed a year and a half later when inflation has hit a different level or has reached a series of different causes.

Q: Mr. Prime Minister, there has been a surprisingly strong emotional reaction across English Canada to Mr. Levesque's speech in New York. I think part of that was the sight of Premier Levesque standing there reading the opening of the American Declaration of Independence and saying that there was an exact historical parallel with the development of Quebec; that separation is as inevitable as American independence was several hundred years ago. Do you think that he was on firm historic ground when he did that?

A: Well, as I said a moment ago, when he quoted the Declaration of Independence and indicated that when you want to break up an association as important as that which existed in 1775, or in Canada in 1977, you have to give the causes for it, why it is necessary, and he did not give any causes. He just went on and said that independence is inevitable and that that is what they were going to do. There was no link between them.

I do not want to make an historical analysis of his speech last night. It was a tactical ploy, I suppose, to try to make the Americans feel that from a position of colony that they were in they were entitled to go for independence and so is he. It is not a matter of history. It is a matter of reality that the parallel is non-existent. Quebec is not a colony of any nation.

Q: If I could just ask a supplementary, it was a ringing statement, certainly, of intent in New York that Mr. Levesque gave, but I think what we are all looking for -- and apparently what the country is looking for today -- is some kind of ringing response from the Prime Minister.

A: Well, I am afraid I cannot ring every day. I do not think the world has changed, or Canada has suddenly begun going downhill because Mr. Levesque made a speech last night in New York. That is not a crisis to my mind. I am sorry if the result of it is that it is going to be more difficult for Quebec and Canada to borrow in foreign markets, but I did not hear anything new last night. The crisis, if there has been any -- and I spoke of it about six months ago -- was at the time of the air controllers' strike. I thought that was a crisis, because I thought Quebecers then got the message that the way influential groups in Canada were playing the game it meant that Quebecers could not even speak French in their own air space. That was a crisis to me. I reacted then, and I still react to that. But today there is no crisis. I do not feel like firing any shots or making any ringing declarations.

Q: Mr. Prime Minister, is Mr. MacEachen going to speak for CIDA in the Cabinet after this and, if so, why; if not, why not, seeing that he wants the job?

A: A lot of people in this room probably want the job. They will not get it. I have no declaration to make on that. I will probably be making an announcement on it next week.

Q: To get you back on the route of revolutionaries, I was wondering if you could tell us whether you talked to Mr. Goyer in 1971 about the concept of the new left in Canada



and whether you endorse the formation of the list that Mr. Goyer apparently put together and whether you still feel, or ever did feel, that the extra-parliamentary opposition did exist and still does exist?

A: Well, the extra-parliamentary opposition changes meaning from time to time. I have the impression that a lot of it is in this room today. It does not mean it is a great threat to the government. It might be. Mr. Goyer in 1971 did talk to me about the then concept of the new left, which was determined to change the nature of our democratic institutions, not through the election process and, therefore, sitting in Parliament, but outside of Parliament. But that was not news to me. I did not need Mr. Goyer to tell me that. The radical actions on the campuses and off through the whole 1960's was to that effect, not only in Canada but in most Western societies, including a few Eastern societies. Mr. Goyer tells me he spoke to me at the time. I cannot remember the exact incident, but I am sure he did, and I am sure I talked about it to a lot of people, too. It was part of the dynamics of society at that time; part of the way politics were being played, particularly in the United States. Until the Rubins and the others decided to join the democratic process, they were trying to change it outside of the democratic process, and it was happening in Canada. It was happening on college campuses. So, thus far, nothing to write home about. All Mr. Goyer did was to write to a few Ministers saying, "We think some of these people are in your departments and here are their names. Would you please go to them and tell them that now that they are civil servants they have certain duties insofar as communicating confidential information is concerned, and when you have done that, as far as we are concerned, the matter is closed."

Q: Did you know of that action at the time, about the list, and did you endorse it?

A: No, I did not know of the list. I did not see any list. No list was shown to me, nor was that letter shown to me, in fact. Mr. Goyer talked to me in terms of his letting certain Ministers know that people in their departments or in their agencies had had connections with the new left in their previous avocations and that it would be important to tell them that now that they were civil servants, they should be playing the game by new rules, which I presume the Ministers did and that ended the matter as far as we were concerned. It was a one shot action. Some of the people on that list, which I have since seen -- this morning, as a matter of fact -- are occupying fairly senior posts in government, so obviously it did not harm their careers.

Q: Monsieur Trudeau, votre nouvel organisateur en chef au Québec, monsieur Ouellet, a souhaité des élections partielles le plus tôt possible. Evidemment, ça dépend de vous.

Est-ce que vous croyez, comme lui, que le printemps ou le début de l'été sera une bonne date? Est-ce que vous êtes prêt à considérer les résultats comme ceux d'un mini-référendum?

R: Oui, aux deux questions. Ce serait notre intention déclencher des élections partielles dans la période prévue par la Loi, c'est-à-dire qu'avant l'expiration de six (6) mois, je devrai déclarer une date. Il y a des chances que ce soit après l'hiver, puis avant l'été.

C'est sûr que quel que soit mon désir à moi, c'est sûr que ça sera interprété comme la première expression démocratique par des Québécois, sur le problème du fédéralisme et du Québec depuis l'élection du 15 novembre.

Et, par conséquent, je crois que ça serait fort important pour interpréter là où les Québécois, les électeurs de ces contées-là en sont vis-à-vis leurs propres pensées en ce qui concerne le fédéralisme.

Q: Alors, une sous-question:

Comment interprétez-vous la perte de popularité apparente dans les sondages du Parti Libéral, et de vous-même au Québec?

R: Eh bien, je ne suis pas très bon pour interpréter ces choses, mais je vais vous répéter une interprétation qu'on m'a donnée, qui me paraît assez plausible.

C'est que quand le 15 novembre, quelque chose comme 65% de la population vote contre le Parti Libéral, ce n'est pas étonnant que le premier décembre, 15 jours plus tard, quelque chose comme 60% de la population disent qu'ils ne sont pas pour le Parti Libéral.

Les gens sont ondoyants et divers, mais dans 15 jours, quand on a voté contre le Parti Libéral, 15 jours avant, on ne se dépêche pas de dire: "bien, je suis devenu libéral depuis". Alors, ils sont contre le Parti Libéral. Ils l'étaient, à ce moment-là. Ils vont peut-être changer d'idée dans les semaines qui viennent. Ils vont être obligés, évidemment, de faire des choix. Ils vont être obligés dans les élections partielles notamment, peut-être même dans les enquêtes g Gallup, ils vont être obligés de regarder les alternatives.

Et c'est de cela que nous allons discuter pendant les élections.

Q: Mr. Prime Minister, you have tried leadership by coercion and you have tried leadership by persuasion. I am wondering, in looking at Jimmy Carter and some of the personal kind of gestures he is making in terms of restraints in his personal life and in his office, whether you do not regret not having tried some of these gestures yourself in terms of leadership by example?

A: I do not know what you mean. What examples has he given that I should imitate -- giving interviews to Playboy, or what?

Q: He does things like not sending the kids to private schools; his wife does not get a fancy dress for the Inaugural Ball. It is kind of a series of gestures such as that.

A: He is imitating me. My children do not go to private schools. The one who goes to school goes to Rockcliffe Public School. President Carter actually walked, I understand, from the Capitol to the White House, or vice versa. I once walked from Parliament Hill to the East Block. About the dress, I do not know. My wife is going to speak to Mrs. Carter about that next week. We will see. Mr. Carter may have to begin imitating me.

Q: Mr. Prime Minister, I would like you to comment on Mr. Levesque's tendency to talk about the referendum in terms of taking place more towards the end of his five-year mandate rather than the two-year time frame that he was talking about originally, and also ask you whether you have given any more thought to the idea of conducting a national referendum on this question, an idea for which you seemed to show a certain amount of sympathy in one your previous Press Conferences?

A: I suppose if he is thinking of retarding the date of the referendum, he is beginning to realize that it is going to be a tougher and longer process than he had bargained for to convince Quebecers to vote for independence, and I suppose that confirms my view that Quebecers will not be easily moved to vote for independence and it is going to take him a lot of time. I think that is unfortunate, because the longer he takes, the more the situation will be unsettled and unstable, and the more that is liable to have adverse economic and social

effects, the more he is liable to seek confrontation with the federal government and, therefore, the less we will collectively be able to give good government to the people of Canada. So, I think that is unfortunate. Insofar as the national referendum is concerned, I was asked that before. I said it was something that we had not ruled out, but it was not something we were thinking about. I can barely say more than that today. I perhaps should point out one argument whereby Mr. Levesque is almost setting himself up for a national referendum. When he talks about independence and then says, as he did in New York last night, "Of course, then, we will have an economic association with Canada. It will be either a common market or perhaps even a monetary union," and so forth, he is then saying, "I do not quite want independence. Obviously, just pure independence is going to be economically costly for me, so I am going to seek some kind of a union."

Well, I think he may be misleading himself in thinking that he can hold a referendum by his rules in his own way and then assume that the rest of Canada, if he wins it, is going to embrace it. If he is thinking now of an association with Canada, or some kind of a common market, he would be wise to make sure that the rest of Canada has, in some way, a say in the holding of that referendum insofar as it is going to be fair; insofar as it is going to be binding; insofar as it is going to have effect; insofar as the questions that are going to be posed, and so on.

I repeat, I am not making an argument for a national referendum. I think his whole approach -- assuming independence and an economic union -- his whole approach presupposes that his future partner will be in something of a good mood to make that economic union. That does not follow, unless they are convinced that the referendum itself were held in a way which is, shall we say, enlightening as to the real desires of the people of Quebec.

a colony of any nation.

Q: Mr. Prime Minister, this is getting into tax return time. Two recent reports, one of which, I think, goes directly to you, drew attention to the fact that there seems to be a tendency for the rich to get better off and the poor to get poorer. The Economic Council of Canada reported that in ten years the distribution of wealth, discounting inflation and taxation, has shifted in favour of the higher income groups and away from the poor. When you add inflation into it, the situation is even worse for the lower income group. The Canadian Welfare Council says that our tax system as it exists, our personal income tax system, also tends to favour the higher income group.

I wonder if you have a comment, particularly on the findings of the Economic Council, if it reports to you, and whether the government has any plans to deal with this.

A: I would hesitate to comment on the two reports you have mentioned as I do not have them in my memory now. I remember seeing them. I think, as you say, they seem to indicate that the gap between the rich and the poor is not growing narrower. That is about it, isn't it?

Q: They divided them into quintiles.

A: Yes. The lowest quintile and the highest quintile are just as far apart, and they prove whatever they prove. My answer to that -- and I have given it before -- is that it is not part of the Liberal philosophy to tend to equalize everybody towards the middle; to make sure that the top quintile and the lower quintile are equal, or even, for that matter, very close. It is part of the Liberal philosophy to make sure that the poor in this society get richer. If the rich get richer too, we really do not take offence to that. The point I am making -- and it is quite relevant --



is that in the last ten years, more or less -- I do not have the figures, but you can check them -- in the last ten years, more or less -- since someone began talking about the "just society" --/the percentage of people below the poverty line in Canada has fallen from 21% to something around 8 or 9%. That is a very significant statistic in terms of Liberal goals. We want to make sure that there are fewer poor in this country; that there are fewer people below the poverty line. Hopefully, eventually, there will be no one below the poverty line. We have succeeded in bringing the statistics down, as I say, from above 20% to below 10%. So, the percentage of poor now is much smaller than it used to be, and to that extent we have gone some distance towards success in terms of our Liberal goals. Once again, my philosophy is not one of equalitarianism. I want to make the poor richer, but I do not care if the rich get richer in the process, provided they pay their taxes and they are honest, and everything else. So, that is the answer about your quintiles. We are not trying to bring them together towards some national average.

Q: The other part of the question is that the tax system, the system of allowances, will make those in the lower groups worse off than they are because of the distribution of wealth.

A: I doubt it. Perhaps we are talking at cross purposes. It cannot make them worse off if fewer of them are below the poverty line than there were. We have taken large numbers of people off the tax rolls as a result of the tax reforms, and continue to do so with our indexing of taxation.

I am not contradicting you. There is something in the system which, no doubt, particularly looking at indirect taxes, falls more on the poor than on the rich. The figures I am giving you are based on the incomes of Canadians and on the so-called poverty line updated from ten years ago

-- with the poverty line in real terms after discounting for inflation, in other words -- and I am saying that the percentage of Canadians below that line is much smaller today than it was ten years ago.

There is something to be said for the view that the richest man in a given society should not earn X times more than the poorest man is earning, and through our progressive income tax system we will, hopefully, redress some of the great opportunities which befall the rich. But, once again, it is not our main goal as Liberals to bring the top and the lowest quintile together. Our main goal as Liberals is to bring the lower quintile above the poverty line, and if to do so we have to tax the rich, thereby bringing them down, we are prepared to do so, but that is not our first objective.

Q: Si je peux passer à la scène internationale pour un instant.

J'aimerais vous demander en l'absence de monsieur Jamieson, quelle est la position du Gouvernement Fédéral à propos des récents développements en Rhodésie, et du fait que monsieur Smith a décidé de ne pas donner suite à la Conférence de Genève?

R: Eh bien, je regrette vivement ces développements en Rhodésie.

J'avais, quant à moi, assez d'espoir quant aux démarches des présidents Africains et de monsieur Callaghan et de son gouvernement. J'ai même eu des entretiens avec monsieur Callaghan, avec le Président Kaunda et avec le secrétaire général du Commonwealth, monsieur Ramphal pour leur exprimer l'appui du Gouvernement Canadien dans les voies où ils s'étaient engagés. Et notamment, la décision de monsieur Callaghan d'engager le crédit de son propre gouvernement dans le développement de l'affaire rhodésienne.

Alors, je regrette profondément, vivement que monsieur Smith ait mis fin à ses progrès.

Q: Pour poursuivre la même question, est-ce que dans ces conditions, le Canada va participer au fonds dont il avait été question?

R: Eh bien, la question, maintenant, devient hypothétique si l'hypothèse se réalise et si effectivement on retrouve des moyens acceptables à toutes les parties en cause pour permettre à la Rhodésie d'accéder à l'indépendance dans le respect de la majorité africaine, bien sûr qu'à ce moment-là, le Gouvernement Canadien a déclaré qu'en principe, il accepterait d'être présent.

Et monsieur Jamieson a même indiqué des chiffres. Je pense qu'il s'agissait de quelque \$60,000,000, peut-être un peu plus sur une période de 5 ans. A peu près l'équivalent de ce que nous donnons aux pays voisins dans le cadre de l'ACDI pour permettre une Rhodésie, un Zimbabwe indépendant d'avoir accès à de l'aide étrangère.

Alors, en principe, nous avons dit oui. Mais bien sûr, avec la rupture des négociations, la question ne se pose plus tout à fait, maintenant.

Q: Mr. Prime Minister, it is not clear how the by-elections, particularly in Quebec, will provide a test of federalism versus separatism if only federalist parties are running, or are you suggesting that a vote for the Conservatives or the New Democrats will be an anti-federalist vote, or are you suggesting that the Parti Québécois run candidates in these by-elections?

A: No, I am not suggesting either of the two things that you mention. I am saying that the way in which the federal parties in that election present themselves to Quebecers, the way in which Quebecers receive their message, will indicate the degree of belief they have in each party's ability to pursue federalism effectively. I was asked if I would consider them as a mini-referendum, and it is in

that context that I was saying yes, probably. If my party were to lose massively in these by-elections, I would feel it to be a clear indication by Quebecers that they no longer have the faith they used to in the Liberal Party's ability to pursue its goals or, alternatively, on the undesirability of the Liberal Party pursuing those goals. They will then, presumably, turn to another party, or they will abstain massively.

Q: Do you regard the Conservatives or the New Democrats as any less federalist than the Liberal Party?

A: No.

Q: Mr. Prime Minister, referring to the Anti-Inflation action and the manpower language training action by the Quebec government, you said that you regretted it and that the federal government would be more careful in the future. Is that the full extent of the federal response at this point?

A: We are looking at ways of ensuring that these language courses be given by other institutions. We have not found an answer to that yet. I hope we will. The figures are worth calling to mind. I believe under the manpower training program, something in the order of \$170 million in federal dollars is spent in Quebec, mainly through Quebec institutions -- at least the \$10 million of that which goes to language training is channelled through Quebec institutions. Of that \$10 million, only one-third of a million was expended in relation to English language training. I am talking of training of languages which has economic purposes. In other words, language training which leads to jobs. I am not talking about figures which come to the Secretary of State for Culture or education, and so on; rather, those that are economically motivated. As I say, one-third of a million out of \$10 million went to English language training, and

apparently the Quebec government felt that this was too much. That is something that we do not accept. It is something that we feel they should have discussed with us before denouncing the program unilaterally.

Q: When you speak to the U.S. Congress next month, Mr. Prime Minister, you will have a tremendous platform. Do you intend to use that to rebutt the things Premier Levesque said last night, to correct the impressions left in the minds of another very influential group of Americans about Quebec?

A: I have not yet made up my mind as to what I will be telling the U.S. Congress. I suppose even if I had it would be somewhat discourteous to bill myself in advance. Obviously, I will have to meet that problem directly or indirectly. I will be talking about the state of the Canadian nation, and one cannot discuss that today without noting and examining the separatist problem in Quebec. I cannot say more than that, mainly because I have not done any work on my speech as yet.

Q: Monsieur Trudeau, dans votre réponse au Premier Mini. Lougheed sur le rapatriement de la Constitution, vous ne faites la moindre allusion au fait que le Québec aura un référendum, s'un référendum auquel les provinces participent, ou qui concerne seulement les Québécois.

J'aimerais savoir si ce n'est pas un peu réduire ou limiter les options qui s'offrent autant aux premiers ministres provinciaux qu'au gouvernement central, qu'ils ne veulent pas faire allusion au fait qu'il y aura inévitablement un référendum? J'aimerais savoir aussi si dans les contextes d'une négociation globale et fondamentale de la Constitution Canadienne, vous ne serez pas obligé de terminer cette conférence-là par la tenue d'un référendum?

R: C'est possible. Mais je ne vois pas le lien nécessaire entre ce dont vous parlez.

De deux (2) choses l'une. Ou bien le Premier Ministre Lévesque dit qu'il est prêt à rapatrier la Constitution et alors, nous en parlons avec les autres provinces. Et j'espère que nous le faisons. Ou bien il dit: "Non, je ne suis pas prêt à rapatrier la Constitution, moi, ce qui m'intéresse, c'est l'indépendance".

Alors, ne parlons plus de la Constitution Canadienne, n'ayons plus de réunion sur ce sujet-là. Ou bien, encore, la possibilité qu'il dise "eh bien oui. Mais jusqu'à ce que le Québec déclare son indépendance, j'aimerais bien avoir tel ou tel ou tel pouvoir juste en attendant".

Alors, nous pourrions juger de l'utilité, à ce moment-là, de donner des pouvoirs au Québec - au Gouvernement du Québec, je devrais dire, en attendant l'indépendance.

Mais le référendum, c'est autre chose. Je verrais que si l'ensemble des gouvernements provinciaux et fédéraux en arrivait à un texte constitutionnel, qu'on pourrait alors le soumettre à la population canadienne, par voie de référendum. Mais je ne sais pas si nous en arriverons là.

Q: Mr. Prime Minister, you have sharpened the interest in the by-elections enormously. One can see why, because Mr. Levesque has a later requirement to go to the people than you do. You have to go sooner. Have you given any consideration to really broadening the prospect of these by-elections into something more than just in Quebec by naming a few of your M.P.'s Senators -- I can think of some -- and then having by-elections in a belt across the country and really having something a bit more to prove and demonstrate about the feelings in the country on this whole issue?

A: Well, if my purpose in having these by-elections were to prove something of the nature you indicate, your suggestion might have merit. But I am not calling by-elections in order to prove anything at this point. All I am saying is that we have by-elections whether we like it or not, and, inevitably, as was asked in French, people are going to look to them as an indication of whether the Liberal government is



popular in Quebec. I am not at this point trying to establish electorally that I am popular. If I wanted to establish that, I could go even further than you suggest and have a general election. But I am faced under the law with the inevitability of some by-elections, and I am saying that no doubt, if my popularity and that of my party is very low, even in Quebec, as indicated by the result of those by-elections, then that would have a very great significance for my party, for the policies it is putting forward, and for my future as the leader of that party.

Q: I misinterpreted it. I thought you were saying that if the by-elections turn out badly, you would have no recourse but to resign, and I thought rather than resigning on what may be revealed in Quebec, the real challenge to you would be to take a sounding across the country.

A: No, I do not resign that easily -- not just because I lose a few by-elections. It would probably mean I would have to fight much harder or, perhaps alternatively, change my policies, or perhaps my party would want to change its leader at that point. But I would not resign, wouldn't make it easy for people.

Q: Nice speculation.

A: Titillating, anyway.

Q: Mr. Prime Minister, Leon Dion suggested the other day the reconstitution of a new kind of B & B Commission to take a look at the status of Quebec. Does that hold any appeal to you at all in the way of trying to find a constitutional option that might be generally popular across the country, or acceptable?

A: And Jean Marchand. The difficulty with that kind of a suggestion is that all we have after a Royal Commission has finished its consideration on the constitution is a report. If somehow -- and I do not think it is possible -- the elected representatives of the people would bind themselves in advance to implement the results of a Royal Commission on the constitution, on which, presumably, Professor Dion would be sitting, we might make some headway. We could get on to discussing other things. We would be worrying about unemployment and the economy, and Mr. Levesque would be doing the same, while out there we would have some wise people writing a new constitution for us, and we will accept it whatever it is. But you know, and I know, that that is not realistic, no more than the report of the B & B Commission was accepted holus-bolus overnight by everyone. Certainly, a recommendation on the constitution by a Royal Commission would not bind all of the Premiers and the Prime Minister of this land. If it favours separatism or easy access to separatism, or great decentralization, I am sure a good many Premiers would be in favour of it; if it favours more or less a federal government strong enough to redistribute wealth and opportunities in Canada, then you would have another sector of Premiers in favour of it. But the first ones would be against it. So, I do not see that this really would advance the debate very much. If wise men have opinions as to what the constitution should be, they can put them into writing and we will read them. I cannot see a group of wise men out there telling Canadians what their power relationship should be for the next one hundred years, or for that matter, for the next twenty years.

Another suggestion might be a constituent assembly. If someone were to propose that we elect a constituent assembly and hand over to it authority to write the next constitution, then Professor Dion and others could run for office and, hopefully, be elected and sit on this constituent assembly which would write a new constitution for us. But

there again all parties would have to accept to be bound by it. I would probably be prepared to take the gamble, if I had enough say in the choosing of the Royal Commissioners or, in the case of a constituent assembly, I would probably be prepared to take the gamble. I might even run myself for election to that constituent assembly. That is the way things happen. It is not -- well, I am repeating myself.

Q: Mr. Prime Minister, members of your government are talking increasingly about de-control and post-control periods. Is there not a danger of the psychology of sacrifice which you have been able to build up breaking down, and are you any more optimistic now than you were last year that in fact you will be able to bring the wage and price control program to an end before the end of 1978?

A: Certainly, our successes in the first year have been, partly by luck and, I hope, partly by the skill of the AIB, and partly, hopefully, through restraint on the part of governments in Canada, even better than we had bargained for. The results are better than the guidelines that we had put forth for the first year. That certainly indicates that Canadians have been prepared to exercise restraint. The fact that a good majority -- something like 60% -- of collective agreements and workers have accepted the guidelines without having to be rolled back or to go before the AIB -- the great majority of those who set prices and derive incomes from it, profits from it, have not had to be rolled back because they observed the guidelines -- certainly indicates that, at least in the control period, restraint has been exercised by many, many Canadians. Whether this restraint will continue in the de-control and the post-control period is anybody's guess. I would be inclined to say at this time that we have no guarantee of it, and I think our government should continue to pursue its consultation exercises in order to get responsible economic decision makers to agree to some restraint following



the de-control period, and that is the exercise we have been embarked on now for some time, and which will continue, with the labour unions, with business leaders, with consumers' groups, with the provincial governments themselves, and so on.

Q: Mr. Prime Minister, I wonder if you could account for the \$100 million loan that you negotiated with Jamaican Prime Minister Manley when he was in Ottawa last fall? The reason I ask this question is that a group of Canadian government officials, apparently, were in to see the Governor of the Bank of Jamaica to find out what happened to the \$100 million, and the word around the Caribbean over the last two or three weeks -- and perhaps you heard it -- was that this Canadian money, the \$100 million, was used to finance Mr. Manley's successful re-election campaign in Jamaica. Can you confirm that? Did we subsidize his campaign?

A: No, I know nothing of that. I have great respect for Mr. Manley -- jusqu'à preuve -- and until I have proof to the contrary I would emphatically deny it as a calumny. I must say, that kind of thing was not circulating in the part of the Caribbean where I was, an area where Mr. Manley is held in high regard, and it was not Cuba.

Q: Mr. Prime Minister, I gather that there is something of a debate going on within your caucus and your party as to whether the Canadian people want now a show of considerable activism by the government in terms of getting a lot of legislation through Parliament, and so forth, on the one hand, versus another school of thought which has it that people are really tired of legislation, do not want too much in the way of new laws, too much activism, and, basically want to be left alone. I would like to know which side of that issue or quandary you put yourself on.

A: I think the answer is best indicated by telling you what our plans are for this session. We intend to deal with as much of the legislation on the order paper as possible, and there is a great deal on the order paper. So, in terms of the alternatives you have just indicated, I suppose the government has come down on the side of getting legislation through rather than simply throwing up our hands and saying that the debate is out there; it is not in Parliament.







